

BANK OF AMERICA CORP /DE/  
Form 424B3  
September 11, 2017  
Table of Contents

Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-202354

## Medium-Term Notes, Series M

We may offer from time to time our Bank of America Corporation Medium-Term Notes, Series M. The specific terms of any notes that we offer will be determined before each sale and will be described in a separate pricing supplement, prospectus addendum and/or other prospectus supplement (each, a supplement). Terms may include:

Priority: senior or subordinated

Interest rate: notes may bear interest at fixed or floating rates, or may not bear any interest

Base floating rates of interest:

i federal funds rate

i LIBOR

i EURIBOR

i prime rate

i treasury rate

i any other rate we specify

Maturity: 365 days (one year) or more

Indexed notes: principal, premium (if any), interest payments, or other amounts payable (if any) linked, either directly or indirectly, to the price or performance of one or more market measures

Payments: U.S. dollars or any other currency that we specify in the applicable supplement

We may sell notes to the selling agents as principal for resale at varying or fixed offering prices or through the selling agents as agents using their best efforts on our behalf. We also may sell the notes directly to investors.

We may use this prospectus supplement and the accompanying prospectus in the initial sale of any notes. In addition, Merrill Lynch, Pierce, Fenner & Smith Incorporated, or any of our other broker-dealer affiliates, may use this prospectus supplement and the accompanying prospectus in a market-making transaction in any notes after their initial sale. Unless we or one of our selling agents informs you otherwise in the confirmation of sale, this prospectus supplement and the accompanying prospectus are being used in a market-making transaction.

Unless otherwise specified in the applicable supplement, we do not intend to list the notes on any securities exchange.

**Investing in the notes involves risks. See Risk Factors beginning on page S-5.**

*Our notes are unsecured and are not savings accounts, deposits, or other obligations of a bank. Our notes are not guaranteed by Bank of America, N.A. or any other bank, are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, and involve investment risks.*

*None of the Securities and Exchange Commission, any state securities commission, or any other regulatory body has approved or disapproved of these notes or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.*

## **BofA Merrill Lynch**

**Prospectus Supplement to Prospectus dated May 1, 2015**

**September 11, 2017**

**Table of Contents****TABLE OF CONTENTS**

	<b>Page</b>
<b>Prospectus Supplement</b>	
<u>About this Prospectus Supplement</u>	S-3
<u>Risk Factors</u>	S-5
<u>Financial Consequences to Unsecured Debtholders of Single Point of Entry Resolution Strategy</u>	S-12
<u>Description of the Notes</u>	S-13
<u>General</u>	S-13
<u>Types of Notes</u>	S-14
<u>Payment of Principal, Interest, and Other Amounts Due</u>	S-16
<u>Ranking</u>	S-18
<u>Remedies</u>	S-19
<u>Limitation on Mergers and Sales of Assets</u>	S-21
<u>Redemption</u>	S-22
<u>Repayment</u>	S-22
<u>Reopenings</u>	S-22
<u>Extendible/Renewable Notes</u>	S-22
<u>Other Provisions</u>	S-23
<u>Repurchase</u>	S-23
<u>Form, Exchange, Registration, and Transfer of Notes</u>	S-23
<u>U.S. Federal Income Tax Considerations</u>	S-24
<u>Supplemental Plan of Distribution (Conflicts of Interest)</u>	S-24
<u>Selling Restrictions</u>	S-27
<u>Legal Matters</u>	S-36
<b>Prospectus</b>	
<u>About this Prospectus</u>	3
<u>Prospectus Summary</u>	4
<u>Risk Factors</u>	9
<u>Currency Risks</u>	9
<u>Reform of LIBOR and EURIBOR and Proposed Regulation of These and Other Benchmarks</u>	11
<u>Risks Related to our Common Stock and Preferred Stock</u>	13
<u>Other Risks</u>	14
<u>Bank of America Corporation</u>	16
<u>Use of Proceeds</u>	16
<u>Description of Debt Securities</u>	17
<u>General</u>	17
<u>The Indentures</u>	17
<u>Form and Denomination of Debt Securities</u>	18
<u>Different Series of Debt Securities</u>	19
<u>Fixed-Rate Notes</u>	20
<u>Floating-Rate Notes</u>	20
<u>Indexed Notes</u>	28
<u>Floating-Rate/Fixed-Rate/Indexed Notes</u>	29
<u>Original Issue Discount Notes</u>	29
<u>Payment of Principal, Interest, and Other Amounts Due</u>	30
<u>No Sinking Fund</u>	33
<u>Redemption</u>	33
<u>Repayment</u>	34
<u>Repurchase</u>	34
<u>Conversion</u>	34
<u>Exchange, Registration, and Transfer</u>	35
<u>Subordination</u>	35
<u>Sale or Issuance of Capital Stock of Banks</u>	36
<u>Limitation on Mergers and Sales of Assets</u>	37
<u>Waiver of Covenants</u>	37
<u>Modification of the Indentures</u>	37
<u>Meetings and Action by Securityholders</u>	38
<u>Events of Default and Rights of Acceleration</u>	38
<u>Collection of Indebtedness</u>	38
<u>Payment of Additional Amounts</u>	39

Edgar Filing: BANK OF AMERICA CORP /DE/ - Form 424B3

<u>Redemption for Tax Reasons</u>	42
<u>Defeasance and Covenant Defeasance</u>	43
<u>Notices</u>	44
<u>Concerning the Trustees</u>	44
<u>Governing Law</u>	44
<u>Description of Warrants</u>	44
<u>General</u>	44
<u>Description of Debt Warrants</u>	44
<u>Description of Universal Warrants</u>	45
<u>Modification</u>	46
<u>Enforceability of Rights of Warrantholders, No Trust Indenture Act Protection</u>	47
	<b>Page</b>
<u>Description of Purchase Contracts</u>	47
<u>General</u>	47
<u>Purchase Contract Property</u>	47
<u>Information in Supplement</u>	48
<u>Prepaid Purchase Contracts: Applicability of Indenture</u>	49
<u>Non-Prepaid Purchase Contracts: No Trust Indenture Act Protection</u>	49
<u>Pledge by Holders to Secure Performance</u>	50
<u>Settlement of Purchase Contracts That Are Part of Units</u>	50
<u>Failure to Holder to Perform Obligations</u>	50
<u>Description of Units</u>	51
<u>General</u>	51
<u>Unit Agreements: Prepaid, Non-Prepaid, and Other</u>	51
<u>Modification</u>	52
<u>Enforceability of Rights of Unitholders; No Trust Indenture Act Protection</u>	52
<u>Description of Preferred Stock</u>	53
<u>General</u>	53
<u>Dividends</u>	54
<u>Voting</u>	54
<u>Liquidation Preference</u>	54
<u>Preemptive Rights</u>	55
<u>Existing Preferred Stock</u>	55
<u>Additional Classes or Series of Stock</u>	85
<u>Description of Depositary Shares</u>	85
<u>General</u>	85
<u>Terms of the Depositary Shares</u>	85
<u>Withdrawal of Preferred Stock</u>	86
<u>Dividends and Other Distributions</u>	86
<u>Redemption of Depositary Shares</u>	86
<u>Voting the Deposited Preferred Stock</u>	87
<u>Amendment and Termination of the Deposit Agreement</u>	87
<u>Charges of Depositary</u>	87
<u>Miscellaneous</u>	88
<u>Resignation and Removal of Depositary</u>	88
<u>Description of Common Stock</u>	88
<u>General</u>	88
<u>Voting and Other Rights</u>	88
<u>Dividends</u>	89
<u>Certain Anti-Takeover Matters</u>	89
<u>Registration and Settlement</u>	91
<u>Book-Entry Only Issuance</u>	91
<u>Certificated Securities</u>	91
<u>Street Name Owners</u>	92
<u>Legal Holders</u>	92
<u>Special Considerations for Indirect Owners</u>	92
<u>Depositories for Global Securities</u>	93
<u>Special Considerations for Global Securities</u>	97
<u>Registration, Transfer, and Payment of Certificated Securities</u>	98
<u>U.S. Federal Income Tax Considerations</u>	99
<u>Taxation of Debt Securities</u>	100
<u>Taxation of Common Stock, Preferred Stock, and Depositary Shares</u>	115
<u>Taxation of Warrants</u>	121
<u>Taxation of Purchase Contracts</u>	121
<u>Taxation of Units</u>	121
<u>Reportable Transactions</u>	121
<u>Foreign Account Tax Compliance Act</u>	122
<u>EU Directive on the Taxation of Savings Income</u>	123
<u>Plan of Distribution (Conflicts of Interest)</u>	124
<u>Distribution Through Underwriters</u>	124

Edgar Filing: BANK OF AMERICA CORP /DE/ - Form 424B3

<u>Distribution Through Dealers</u>	125
<u>Distribution Through Agents</u>	125
<u>Direct Sales</u>	125
<u>General Information</u>	125
<u>Market-Making Transactions by Affiliates</u>	126
<u>Conflicts of Interest</u>	126
<u>ERISA Considerations</u>	128
<u>Where You Can Find More Information</u>	130
<u>Forward-Looking Statements</u>	131
<u>Legal Matters</u>	132
<u>Experts</u>	132

S-2

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

We have registered our Medium-Term Notes, Series M (the notes) on a registration statement on Form S-3 filed with the Securities and Exchange Commission under Registration No. 333-202354.

From time to time, we intend to use this prospectus supplement, the accompanying prospectus, and a related pricing supplement, prospectus addendum and/or other prospectus supplement to offer the notes. We may refer to any pricing supplement as a term sheet. You should read each of these documents before investing in the notes.

This prospectus supplement describes additional terms of the notes and supplements the description of our other debt securities that may be issued under the Indentures contained in the accompanying prospectus. If the information in this prospectus supplement is inconsistent with the prospectus, this prospectus supplement will supersede the information in the prospectus.

This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy the notes in any jurisdiction in which that offer or solicitation is unlawful. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in some jurisdictions may be restricted by law. If you have received this prospectus supplement and the accompanying prospectus, you should find out about and observe these restrictions. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes outside of the United States. See Supplemental Plan of Distribution (Conflicts of Interest).

This prospectus supplement and the accompanying prospectus have been prepared on the basis that any offer of notes in any Member State of the European Economic Area (the EEA) which has implemented the Prospectus Directive (2003/71/EC) (and amendments thereto, including the Directive 2010/73/EU, to the extent implemented in the relevant Member State, the Prospectus Directive) (each, a Relevant Member State) will be made under an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of any notes which are contemplated in this prospectus supplement and the accompanying prospectus may only do so in circumstances in which no obligation arises for us or any of the selling agents to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither we nor the selling agents have authorized, and neither we nor they authorize, the making of any offer of notes in circumstances in which an obligation arises for us or any selling agent to publish or supplement a prospectus for the purposes of the Prospectus Directive in relation to such offer. Neither this prospectus supplement nor the accompanying prospectus constitutes an approved prospectus for the purposes of the Prospective Directive.

The notes are not intended, from January 1, 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the EEA, unless otherwise specified in the applicable supplement. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ( MiFID II ); (ii) a customer within the meaning of Directive 2002/92/EC, as amended ( Insurance Mediation Directive ), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no

**Table of Contents**

key information document required by Regulation (EU) No 1286/2014 (the PRIIPs Regulation ) for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

For each offering of notes, we will issue a pricing supplement, prospectus addendum and/or other prospectus supplement that will contain additional terms of the offering and a specific description of the notes being offered. A supplement also may add, update, or change information in this prospectus supplement or the accompanying prospectus, including provisions describing the calculation of the amounts due under the notes and the method of making payments under the terms of a note. We will state in the applicable supplement the interest rate or interest rate basis or formula, issue price, any relevant market measures, the maturity date, interest payment dates, redemption, or repayment provisions, if any, and other relevant terms and conditions for each note at the time of issuance. A supplement also may include a discussion of any risk factors or other special additional considerations that apply to a particular type of note. Each applicable supplement can be quite detailed and always should be read carefully.

Unless we indicate otherwise or unless the context requires otherwise, all references in this prospectus supplement to Bank of America, we, us, our, or similar references are to Bank of America Corporation excluding its consolidated subsidiaries.

Any term that is used, but not defined, in this prospectus supplement has the meaning set forth in the accompanying prospectus.

---

**Table of Contents**

**RISK FACTORS**

Your investment in the notes involves significant risks. Your decision to purchase the notes should be made only after carefully considering the risks of an investment in the notes, including those discussed below, in the accompanying prospectus beginning on page 9, and in the relevant supplement(s) for the specific notes, with your advisors in light of your particular circumstances. The notes are not an appropriate investment for you if you are not knowledgeable about significant elements of the notes or financial matters in general. For information regarding risks and uncertainties that may materially affect our business and results, please refer to the information under the captions "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our annual report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference in the accompanying prospectus, as well as those risks and uncertainties discussed in our subsequent filings that are incorporated by reference in the accompanying prospectus. You should also review the risk factors that will be set forth in other documents that we will file after the date of this prospectus supplement.

**Our preferred single point of entry resolution strategy could materially adversely affect our liquidity and financial condition and our ability to pay the holders of our debt securities.**

We are required annually to submit a plan to our primary regulatory authorities describing our resolution strategy under the U.S. Bankruptcy Code in the event of material financial distress or failure. In our current plan, our preferred resolution strategy is a single point of entry ( "SPOE" ) strategy. This strategy provides that only Bank of America is resolved under the U.S. Bankruptcy Code and was designed to provide certain key operating subsidiaries with sufficient capital and liquidity to operate through severe stress and to enable such subsidiaries to continue operating or be wound down in a solvent manner following a Bank of America bankruptcy. We have entered into intercompany arrangements governing the contribution of capital and liquidity with these key subsidiaries. As part of these arrangements, we have transferred certain of our assets (and have agreed to transfer additional assets) to a wholly-owned holding company subsidiary in exchange for a subordinated note. Certain of our remaining assets secure our ongoing obligations under these intercompany arrangements. The wholly-owned holding company subsidiary has also provided a committed line of credit which, in addition to our cash, dividends and interest payments, including interest payments we receive in respect of the subordinated note, may be used to fund our obligations. These intercompany arrangements include provisions to terminate the line of credit, forgive the subordinated note and require us to contribute our remaining financial assets to the wholly-owned holding company subsidiary if our projected liquidity resources deteriorate so severely that resolution becomes imminent, which could materially and adversely affect our liquidity and ability to meet our payment obligations, including under the notes. In addition, our preferred resolution strategy could result in holders of notes being in a worse position and suffering greater losses than would have been the case under bankruptcy or other resolution scenarios or plans.

**We are subject to the Federal Reserve Board's final rules requiring U.S. G-SIBs to maintain minimum amounts of long-term debt meeting specified eligibility requirements.**

On December 15, 2016, the Federal Reserve Board released final rules (the "TLAC Rules" ) that would require the U.S. global systemically important bank holding companies, including Bank of America, to, among other things, maintain minimum amounts of long-term debt satisfying certain eligibility criteria ( "eligible LTD" ) commencing January 1, 2019. Any senior long-term debt issued on or after January 1, 2017 must include revised terms in accordance with the final rule in order to

---

**Table of Contents**

qualify as eligible LTD. Actions required to comply with the TLAC Rules could impact our funding and liquidity risk management plans.

**If we enter a resolution proceeding, holders of our unsecured debt securities, including the notes, would be at risk of absorbing our losses.**

Under the TLAC Rules, we are required to maintain minimum amounts of eligible LTD for the purpose of absorbing our losses in a resolution proceeding under either the U.S. Bankruptcy Code or Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Financial Reform Act ). If we enter a resolution proceeding under either the U.S. Bankruptcy Code or Title II of the Financial Reform Act, our unsecured debt, including the notes, would be at risk of absorbing our losses and could be significantly reduced or eliminated. Under our SPOE resolution strategy, and single point of entry recapitalization strategy preferred by the Federal Deposit Insurance Corporation (the FDIC ) under Title II of the Financial Reform Act, the value that would be distributed to holders of our unsecured debt, including the notes, may not be sufficient to repay all or part of the principal amount and interest on such debt, and holders of such debt could receive no consideration at all under these resolution scenarios. Either of these resolution strategies could result in holders of notes being in a worse position and suffering greater losses than would have been the case under a different resolution strategy. Accordingly, investors in the notes should assess our risk profile when making an investment decision to purchase the notes. Although SPOE is our preferred resolution strategy, neither Bank of America nor a bankruptcy court would be obligated to follow our SPOE strategy. Additionally, the FDIC is not obligated to follow its SPOE strategy to resolve Bank of America under Title II of the Financial Reform Act. For more information regarding the financial consequences of any such resolution proceeding to the holders of our unsecured debt securities, see Financial Consequences to Unsecured Debtholders of Single Point of Entry Resolution Strategy.

**Our obligations on the notes will be structurally subordinated to liabilities of our subsidiaries.**

Because we are a holding company, our right to participate in any distribution of assets of any subsidiary upon such subsidiary's liquidation or reorganization or otherwise is subject to the prior claims of creditors of that subsidiary, except to the extent we may ourselves be recognized as a creditor of that subsidiary. As a result, our obligations under the notes will be structurally subordinated to all existing and future liabilities of our subsidiaries, and claimants should look only to our assets for payments. In addition, creditors of subsidiaries recapitalized pursuant to our resolution plan would generally be entitled to payment of their claims from the assets of the subsidiaries, including our contributed assets.

**Holders of notes could be at greater risk for being structurally subordinated if we sell or convey all or substantially all of our assets to one or more of our majority-owned subsidiaries.**

If we sell or convey all or substantially all of our assets to one or more direct or indirect majority-owned subsidiaries of ours, the subsidiary or subsidiaries will not be required to assume our obligations under such notes, and we will remain the sole obligor on such notes. In such event, creditors of any such subsidiary or subsidiaries would have additional assets from which to recover on their claims while holders of notes would be structurally subordinated to creditors of such subsidiary or subsidiaries with respect to such assets. See Description of the Notes Limitation on Mergers and Sales of Assets below for more information.

## **Table of Contents**

### **Events for which acceleration rights under the senior notes may be exercised are more limited than those available pursuant to the terms of our outstanding senior debt securities issued prior to January 13, 2017.**

In response to the TLAC Rules, on January 13, 2017, we supplemented the Senior Indenture to, among other things, limit the circumstances under which the payment of the principal amount of senior debt securities (including senior notes) issued pursuant to the Senior Indenture on or after January 13, 2017 can be accelerated (unless specified otherwise in the applicable supplement).

All or substantially all of our outstanding senior debt securities issued prior to January 13, 2017, including outstanding debt securities issued under the Senior Indenture prior to such date (the Pre-2017 Senior Debt Securities), provide acceleration rights for nonpayment or bankruptcy. The Pre-2017 Senior Debt Securities also provide acceleration rights if we default in the performance of our covenants in those debt securities or the Senior Indenture. In addition, the Pre-2017 Senior Debt Securities do not require a 30-day cure period before a nonpayment of principal becomes an event of default and acceleration rights become exercisable with respect to such nonpayment.

However, under the Senior Indenture, as supplemented, unless we specify otherwise in the applicable supplement, payment of the principal amount of senior notes:

may be accelerated only (i) if we default in the payment of the principal of or interest on those senior notes and, in each case, the default continues for a period of 30 days, or (ii) upon our voluntary or involuntary bankruptcy and, in the case of our involuntary bankruptcy, the default continues for a period of 60 days; and

may not be accelerated if we default in the performance of any other covenants contained in the senior notes or the Senior Indenture. As a result of these differing provisions, if we breach or otherwise default in the performance of a covenant (other than a payment covenant) that is applicable both to the senior notes and the Pre-2017 Senior Debt Securities, the Pre-2017 Senior Debt Securities would have acceleration rights that would not be available to the holders of senior notes. In addition, if we fail to pay principal when due with respect to the senior notes and the Pre-2017 Senior Debt Securities, an event of default would occur immediately with respect to the Pre-2017 Senior Debt Securities (and the exercise of acceleration rights could proceed immediately in accordance with the provisions of the Senior Indenture as in effect at the time of their issuance), while the holders of the senior notes must wait for the 30-day cure period to expire before such nonpayment of principal becomes an event of default and any acceleration rights are triggered with respect to such nonpayment. Any repayment of the principal amount of Pre-2017 Senior Debt Securities following the exercise of acceleration rights in circumstances in which such rights are not available to the holders of the senior notes could adversely affect our ability to make timely payments on the senior notes thereafter.

### **Acceleration rights for our subordinated notes are available only in limited circumstances.**

Unless we specify otherwise in the applicable supplement, payment of the principal amount of our subordinated notes may be accelerated only in the event of our voluntary or involuntary bankruptcy under federal bankruptcy laws (and, in the case of our involuntary bankruptcy, continuing for a period of 60 days). If you purchase any subordinated notes, you will have no right to accelerate the payment of principal of the subordinated notes if we fail to pay principal or

## **Table of Contents**

interest when due on those notes or if we fail in the performance of any of our other obligations under those notes. The rights of acceleration under our subordinated notes are more limited than those available pursuant to the terms of our senior debt securities, including the senior notes.

### **Our obligations under subordinated notes will be subordinated.**

Holders of our subordinated notes should recognize that contractual provisions in the Subordinated Indenture may prohibit us from making payments on the subordinated notes. The subordinated notes are unsecured and subordinate and junior in right of payment to all of our senior indebtedness (as defined in the Subordinated Indenture), to the extent and in the manner provided in the Subordinated Indenture. In addition, the subordinated notes may be fully subordinated to interests held by the U.S. government in the event we enter into a receivership, insolvency, liquidation or similar proceedings, including a proceeding under Title II of the Financial Reform Act. For additional information regarding the subordination provisions applicable to the subordinated notes, see [Description of Debt Securities Subordination](#) in the accompanying prospectus.

### **The market value of the notes may be less than the principal amount of the notes.**

The market for, and market value of, the notes may be affected by a number of factors. These factors include:

the method of calculating the principal, premium, if any, interest or other amounts payable, if any, on the notes;

the time remaining to maturity of the notes;

the aggregate amount outstanding of the relevant notes;

any redemption or repayment features of the notes;

the level, direction, and volatility of market interest rates generally;

general economic conditions of the capital markets in the United States;

geopolitical conditions and other financial, political, regulatory, and judicial events that affect the financial markets generally; and

any market-making activities with respect to the notes.

Often, the only way to liquidate your investment in the notes prior to maturity will be to sell the notes. At that time, there may be a very illiquid market for the notes or no market at all. For indexed notes that have specific investment objectives or strategies, the applicable trading market may be more limited, and the price may be more volatile, than for other notes. The market value of indexed notes may be adversely affected by the complexity of the payout formula and volatility of the applicable market measure, including any dividend rates or yields of other securities or financial instruments that relate to the indexed notes. Moreover, the market value of indexed notes could be adversely affected by changes in the amount of outstanding debt, equity, or other securities linked to the applicable market measures, assets or formula applicable to those notes.

## **Table of Contents**

### **Floating-rate notes bear additional risks.**

If your notes bear interest at a floating rate, there will be additional significant risks not associated with a conventional fixed-rate debt security. These risks include fluctuation of the interest rates and the possibility that you will receive an amount of interest that is lower than expected. We have no control over a number of matters, including economic, financial, and political events, that are important in determining the existence, magnitude, and longevity of market volatility and other risks and their impact on the value of, or payments made on, your floating-rate notes. In recent years, interest rates have been volatile, and that volatility may be expected in the future.

### **Holders of indexed notes are subject to important risks that are not associated with more conventional debt securities.**

If you invest in indexed notes, you will be subject to significant risks not associated with conventional fixed-rate or floating-rate debt securities. These risks include the possibility that the applicable market measures may be subject to fluctuations, and the possibility that you will receive a lower, or no, amount of principal, premium, or interest, and at different times than expected. In recent years, many interest rates, indices, and other market measures have experienced volatility, and this volatility may be expected in the future. However, past experience is not necessarily indicative of what may occur in the future. We have no control over a number of matters, including economic, financial, and political events, that are important in determining the existence, magnitude, and longevity of market volatility and other risks and their impact on the value of, or payments made on, the indexed notes. Further, you should assume that there is no statutory judicial, or administrative authority that addresses directly the characterization of some types of indexed notes or similar instruments for U.S. federal or other income tax purposes. As a result, the income tax consequences of an investment in indexed notes are not certain. In considering whether to purchase indexed notes, you should be aware that the calculation of amounts payable on indexed notes may involve reference to a market measure determined by one of our affiliates or prices or values that are published solely by third parties or entities which are not regulated by the laws of the United States. Additional risks that you should consider in connection with an investment in indexed notes are set forth in the applicable supplement(s) for the notes.

### **Our hedging activities may affect your return at maturity and the market value of the notes.**

At any time, we or our affiliates may engage in hedging activities relating to the notes. This hedging activity, in turn, may increase or decrease the market value of the notes. In addition, we or our affiliates may acquire a long or short position in the notes from time to time. All or a portion of these positions may be liquidated at or about the time of maturity of the notes. The aggregate amount and the composition of these positions are likely to vary over time. We have no reason to believe that any of our hedging activities will have a material effect on the notes, either directly or indirectly, by impacting the value of the notes. However, we cannot assure you that our activities or affiliates' activities will not affect these values.

### **Our hedging and trading activities may create conflicts of interest with you.**

From time to time during the term of each series of notes and in connection with the determination of the payments on the notes, we or our affiliates may enter into additional hedging transactions or adjust or close out existing hedging transactions. We or our affiliates also may enter into hedging transactions relating to other notes or instruments that we issue, some of which may

---

**Table of Contents**

have returns calculated in a manner related to that of a particular series of notes. We or our affiliates will price these hedging transactions with the intent to realize a profit, considering the risks inherent in these hedging activities, whether the value of the notes increases or decreases. However, these hedging activities may result in a profit that is more or less than initially expected, or could result in a loss.

We or one or more of our affiliates, including Merrill Lynch, Pierce, Fenner & Smith Incorporated, may engage in trading activities that are not for your account or on your behalf. These trading activities may present a conflict of interest between your interest in the notes and the interests we and our affiliates may have in our proprietary accounts, in facilitating transactions, including block trades, for our other customers, and in accounts under our management. These trading activities, if they influence the market measure or other reference asset (if any) for the notes or secondary trading (if any) in the notes, could be adverse to your interests as a beneficial owner of the notes.

*The following risk factor supersedes in its entirety the risk factor in the accompanying prospectus beginning on page 11 under the heading Reform of LIBOR and EURIBOR and Proposed Regulation of These and Other Benchmarks :*

**Regulation, reform, and the potential or actual discontinuation of benchmarks, including LIBOR and EURIBOR, may adversely affect the value of and return on notes that are based on or are linked to a benchmark.**

The London Interbank Offered Rate ( LIBOR ), the Euro Interbank Offered Rate ( EURIBOR ) and certain other rates or indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory scrutiny and proposals for reform. Some of these reforms are already effective, while others are still to be implemented or formulated. These reforms may cause such benchmarks to perform differently than they performed in the past or to be discontinued entirely and may have other consequences that cannot be predicted. Any such consequences could adversely affect the value of and return on any notes that are based on or are linked to a benchmark to calculate interest or other payments due on those notes.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. In addition, regulators have stated that they will no longer persuade or require banks to submit rates for LIBOR after 2021, and similar actions may be taken with respect to other benchmarks in the future. Such actions may have the effect of discouraging market participants from continuing to administer or participate in or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks, or lead to the discontinuation or unavailability of quotes of certain benchmarks. Uncertainty as to the nature and the effect of such reforms and actions and the potential or actual discontinuation of a benchmark may adversely affect the value of, return on and trading market for notes that are based on or are linked to a benchmark.

To the extent interest payments on notes based on or linked to a specific benchmark, including LIBOR, that is discontinued or is no longer quoted, the applicable base rate will be determined using the alternative methods described in the accompanying prospectus under the heading Description of Debt Securities Floating-Rate Notes, unless we specify otherwise in the applicable supplement. Any of these alternative methods may result in interest rates and/or payments that are higher than, lower than or that do not otherwise correlate over time with the interest rates and/or payments that would have been made on those notes if the relevant

**Table of Contents**

benchmark was available in its current form. Further, the same reforms, actions, costs and/or risks that may lead to the discontinuation or unavailability of a benchmark may make one or more of the alternative methods impossible or impracticable to determine. Under most of the base rates described in the accompanying prospectus, including LIBOR, unless we specify otherwise in the applicable supplement, the final alternative method sets the interest rate for an interest period at the same base rate as the immediately preceding interest period or as in effect on the interest determination date, as applicable, which interest rate could remain in effect for the remaining term of the notes. Any of the foregoing may have an adverse effect on the value of and return on such notes.

S-11

**Table of Contents**

**FINANCIAL CONSEQUENCES TO UNSECURED DEBTHOLDERS  
OF SINGLE POINT OF ENTRY RESOLUTION STRATEGY**

Beginning January 1, 2019, we will be required to be in full compliance with the TLAC Rules, which aim to improve the resiliency and resolvability of U.S. global systemically important bank holding companies ( covered BHCs ), including Bank of America, in the event of failure or material financial distress. The TLAC Rules include the requirement that each covered BHC maintain a minimum amount of eligible LTD and other loss-absorbing capacity. The eligible LTD would absorb the covered BHC's losses, following the depletion of its equity, upon its entry into a resolution proceeding under the U.S. Bankruptcy Code or a resolution proceeding administered by the FDIC under Title II of the Financial Reform Act.

Under Title I of the Financial Reform Act, we are required by the Federal Reserve Board and the FDIC to annually submit a plan for a rapid and orderly resolution under the U.S. Bankruptcy Code in the event of material financial distress or failure. Our preferred resolution strategy under this plan is our SPOE strategy under which only Bank of America would enter bankruptcy proceedings. Under this strategy, we would first contribute all of our remaining cash and other financial assets, less a holdback to cover our bankruptcy expenses, to a wholly-owned holding company subsidiary, which holds all of the equity interests in our key operating subsidiaries. We would then file for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code. Pursuant to an order from the bankruptcy court under section 363 of the Bankruptcy Code, we, as debtor-in-possession, would transfer our subsidiaries to a newly-formed entity ( NewCo ) that would be held in trust for the sole and exclusive benefit of our bankruptcy estate.

The TLAC Rules also require us to describe the financial consequences to unsecured debtholders of our entry into a resolution proceeding. Under our SPOE resolution strategy, the obligations of Bank of America on its unsecured debt, including the notes, would not be assumed by NewCo; instead, the claims on such obligations would be left behind in the bankruptcy proceeding. After the transferred subsidiaries were stabilized, NewCo's residual value in the form of shares or proceeds from the sale of shares would be distributed to the holders of claims against the bankruptcy estate in accordance with the priority of their claims, including to holders of the notes and other unsecured debt.

In 2013, the FDIC issued a notice describing its similar preferred single point of entry recapitalization model for resolving a global systemically important banking group, such as Bank of America, under Title II of the Financial Reform Act. Under Title II, when a covered BHC is in default or danger of default, the FDIC may be appointed receiver in order to conduct an orderly liquidation of such institution as an alternative to resolution of the entity under the U.S. Bankruptcy Code. Pursuant to the single point of entry recapitalization model, the FDIC would use its power to create a bridge entity for the covered BHC; transfer the systemically important and viable parts of the covered BHC's business to the bridge entity; recapitalize those subsidiaries using assets of the covered BHC that have been transferred to the bridge entity; and exchange external debt claims against the covered BHC, including claims of holders of the notes and other unsecured debt, for equity in the bridge entity. This strategy would allow operating subsidiaries of the covered BHC to continue to operate and impose losses on stockholders and creditors of the covered BHC.

**Table of Contents**

**DESCRIPTION OF THE NOTES**

This section describes the general terms and conditions of the notes, which may be senior or subordinated medium-term notes. This section supplements, and should be read together with, the general description of our debt securities included in *Description of Debt Securities* in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

We will describe the particular terms of the notes we sell in a separate supplement. The terms and conditions stated in this section will apply to each note unless the note or the applicable supplement indicates otherwise.

**General**

In addition to the following summary of the general terms of the notes and the indentures, you should review the actual notes and the specific provisions of the Senior Indenture and the Subordinated Indenture, as applicable, which are on file with the SEC.

We will issue the notes as part of a series of debt securities under the Senior Indenture or the Subordinated Indenture, as applicable, which are exhibits to our registration statement and are contracts between us and The Bank of New York Mellon Trust Company, N.A., as successor trustee. In this prospectus supplement, we refer to The Bank of New York Mellon Trust Company, N.A., as the trustee, and we refer to the Senior Indenture and the Subordinated Indenture individually as the Indenture and together as the Indentures.

The Indentures are subject to, and governed by, the Trust Indenture Act of 1939.

In response to the TLAC Rules, we supplemented the Senior Indenture to, among other things, limit the circumstances under which the payment of the principal amount of senior debt securities (including senior notes) issued pursuant to the Senior Indenture on or after January 13, 2017 can be accelerated (unless specified otherwise in the applicable supplement). The supplemental indenture to the Senior Indenture was filed with the SEC on our Current Report on Form 8-K dated January 13, 2017. See *Remedies* below for more information on acceleration rights under the Senior Indenture.

We, the selling agents, and the depository, in the ordinary course of our respective businesses, have conducted and may conduct business with the trustee or its affiliates. See *Description of Debt Securities* *The Indentures* in the accompanying prospectus for more information about the Indentures and the functions of the trustee.

The notes are our direct unsecured obligations and are not obligations of our subsidiaries. The Indentures do not limit the amount of indebtedness that we may incur. We may issue other debt securities under the Indentures from time to time in one or more series up to the aggregate principal amount of the then-existing grant of authority by our board of directors.

Unless otherwise provided in the applicable supplement, the minimum denomination of the notes will be \$1,000 and any larger amount that is a whole multiple of \$1,000 (or the equivalent in other currencies).

---

## **Table of Contents**

### **Types of Notes**

**Fixed-Rate Notes.** We may issue notes that bear interest at a fixed rate described in the applicable supplement, which we refer to as fixed-rate notes. We also may issue fixed-rate notes that combine principal and interest payments in installment payments over the life of the note, which we refer to as amortizing notes. For more information on fixed-rate notes and amortizing notes, see Description of Debt Securities Fixed-Rate Notes in the accompanying prospectus.

**Floating-Rate Notes.** We may issue notes that bear interest at a floating rate of interest determined by reference to one or more base interest rates, or by reference to one or more interest rate formulae, described in the applicable supplement, which we refer to as floating-rate notes. In some cases, the interest rate of a floating-rate note also may be adjusted by adding or subtracting a spread or by multiplying the interest rate by a spread multiplier. A floating-rate note also may be subject to a maximum interest rate limit, or ceiling, and/or a minimum interest rate limit, or floor, on the interest that may accrue during any interest period. For more information on floating-rate notes, including a description of the manner in which interest payments will be calculated, see Description of Debt Securities Floating-Rate Notes in the accompanying prospectus.

**Indexed Notes.** We may issue notes that provide that the rate of return, including the principal, premium (if any), interest, or other amounts payable (if any), is determined by reference, either directly or indirectly, to the price or performance of one or more interest rates, indices or other market measures, or any combination of the above, in each case as specified in the applicable supplement. We refer to these notes as indexed notes.

If you purchase an indexed note, you may receive an amount at maturity that is greater than or less than the face amount of your note, depending upon the formula used to determine the amount payable and the relative value at maturity of the market measure to which your indexed note is linked. We expect that the value of the applicable market measure will fluctuate over time.

We will specify in the applicable supplement the method for determining the principal, premium (if any), interest, or other amounts payable (if any) in respect of particular indexed notes, as well as certain historical or other information with respect to the specified market measure, specific risk factors relating to that particular type of indexed note, and tax considerations associated with an investment in the indexed notes.

For more information about indexed notes, see Description of Debt Securities Indexed Notes in the accompanying prospectus.

**Original Issue Discount Notes.** We may issue notes at a price lower than their principal amount or lower than their minimum guaranteed repayment amount at maturity, which we refer to as original issue discount notes. Original issue discount notes may be fixed-rate, floating-rate, or indexed notes and may bear no interest ( zero coupon notes ) or may bear interest at a rate that is below market rates at the time of issuance. For more information on original issue discount notes, see Description of Debt Securities Original Issue Discount Notes in the accompanying prospectus.

**Specific Terms of the Notes.** The applicable supplement(s) for each offering of notes will contain additional terms of the offering and a specific description of those notes, including:

the specific designation of the notes;

the issue price;

**Table of Contents**

the principal amount;

the issue date;

the maturity date, and any terms providing for the extension or postponement of the maturity date;

the denominations or minimum denominations, if other than \$1,000;

the currency or currencies, if not U.S. dollars, in which payments will be made on the notes;

whether the note is a fixed-rate note, a floating-rate note, or an indexed note;

whether the note is senior or subordinated;

the method of determining and paying interest, including any applicable interest rate basis or bases, any initial interest rate, or the method for determining any initial interest rate, any interest reset dates, any payment dates, any index maturity, and any maximum or minimum rate of interest, as applicable;

any spread or spread multiplier applicable to a floating-rate note or an indexed note;

the method for the calculation and payment of principal, premium (if any), interest, and other amounts payable (if any);

if applicable, the circumstances under which the note may be redeemed at our option or repaid at your option prior to the maturity date set forth on the face of the note, including any repayment date, redemption commencement date, redemption price, and redemption period;

if applicable, the circumstances under which the maturity date set forth on the face of the note may be extended at our option or renewed at your option, including the extension or renewal periods and the final maturity date;

if applicable, any addition to, elimination of or other change in the events of default or covenants for the senior notes or remedies available to holders of the senior notes;

whether the notes will be represented by a master global note;

whether the notes will be listed on any stock exchange; and

## Edgar Filing: BANK OF AMERICA CORP /DE/ - Form 424B3

if applicable, any other material terms of the note which are different from those described in this prospectus supplement and the accompanying prospectus.

Each note will mature on a business day (as defined in the accompanying prospectus) 365 days (one year) or more from the issue date. Unless we specify otherwise in the supplement, the record dates for any interest payments for book-entry only notes denominated in U.S. dollars will be one business day (in Charlotte, North Carolina and New York City) prior to the applicable payment date, and for any book-entry only notes denominated in a currency other than U.S. dollars will be the fifteenth calendar day preceding the applicable payment date.

Unless we specify otherwise in the applicable supplement, the notes will not be entitled to the benefit of any sinking fund.

S-15

## **Table of Contents**

### **Payment of Principal, Interest, and Other Amounts Due**

***Paying Agents.*** Unless otherwise provided in the applicable supplement, the trustee will act as our paying agent, security registrar, and transfer agent with respect to the notes through the trustee's corporate trust office. That office is currently located at 101 Barclay Street, New York, New York 10286. At any time, we may rescind the designation of a paying agent, appoint a successor or an additional paying agent or different paying agent, or approve a change in the office through which any paying agent acts in accordance with the applicable Indenture. In addition, we may decide to act as our own paying agent with respect to some or all of the notes, and the paying agent may resign.

***Calculation Agents.*** The trustee will act as the calculation agent for floating-rate notes, unless otherwise specified in the applicable supplement. We will identify the calculation agent that will calculate the amounts payable with respect to any indexed notes in the applicable supplement. The calculation agent may be one of our affiliates, including Merrill Lynch Capital Services, Inc. The calculation agent will be responsible for calculating the interest rate, reference rates, principal, premium (if any), interest, or other amounts payable (if any) applicable to the floating-rate notes or indexed notes, as the case may be, and for certain other related matters. The calculation agent, at the request of the holder of any floating-rate note, will provide the interest rate then in effect and, if already determined, the interest rate that is to take effect on the next interest reset date for the floating-rate note. Upon request of the holder of an indexed note, and to the extent set forth in the applicable supplement, the calculation agent will provide, if applicable, information with respect to amounts payable (if any) in connection with that indexed note. We may appoint or replace any calculation agent or elect to act as the calculation agent from time to time for some or all of the notes, and the calculation agent may resign, without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you, the selling agents and us.

***Manner of Payment.*** Unless otherwise stated in the applicable supplement, we will pay principal, premium (if any), interest, and other amounts payable (if any) on the notes in book-entry only form in accordance with arrangements then in place between the applicable paying agent and the applicable depository. Unless otherwise stated in the applicable supplement, we will pay any interest on notes in certificated form on each interest payment date other than the maturity date by, in our discretion, wire transfer of immediately available funds or check mailed to holders of the notes on the applicable record date at the address appearing on our or the security registrar's records. Unless otherwise stated in the applicable supplement, we will pay any principal, premium (if any), interest, and other amounts payable (if any) at the maturity date of a note in certificated form by wire transfer of immediately available funds upon surrender of the note at the corporate trust office of the trustee or such other paying agent specified in the applicable supplement, as applicable.

***Currency Conversions and Payments on Notes Denominated in Currencies Other than U.S. Dollars.*** For any notes denominated in a currency other than U.S. dollars, the initial investors will be required to pay for the notes in that foreign currency. The applicable selling agent may arrange for the conversion of U.S. dollars into the applicable foreign currency to facilitate payment for the notes by U.S. purchasers electing to make the initial payment in U.S. dollars. Any such conversion will be made by that selling agent on the terms and subject to the conditions, limitations, and charges as it may establish from time to time in accordance with its regular foreign exchange procedures, and subject to United States laws and regulations. All costs of any such conversion for the initial purchase of the notes will be borne by the initial investors using those conversion arrangements.

## **Table of Contents**

We generally will pay principal and any premium, interest, and other amounts payable on notes denominated in a currency other than U.S. dollars in the applicable foreign currency. Holders of beneficial interests in notes through a participant in The Depository Trust Company, or DTC, will receive payments in U.S. dollars, unless they elect to receive payments on those notes in the applicable foreign currency. If a holder through DTC does not make an election through its DTC participant to receive payments in the applicable foreign currency, the exchange rate agent for the relevant notes, which will be named in the applicable supplement, will convert payments to that holder into U.S. dollars, and all costs of those conversions will be borne by that holder by deduction from the applicable payments.

For holders not electing payment in the applicable foreign currency, the U.S. dollar amount of any payment will be the amount of the applicable foreign currency otherwise payable, converted into U.S. dollars at the applicable exchange rate prevailing as of 11:00 A.M. (New York City time) on the second business day prior to the relevant payment date, less any costs incurred by the exchange rate agent for that conversion. The costs of those conversions will be shared pro rata among the holders of beneficial interests in the applicable global notes receiving U.S. dollar payments in the proportion of their respective holdings. The exchange rate agent will make those conversions in accordance with the terms of the applicable note and with any applicable arrangements between us and the exchange rate agent.

If an exchange rate quotation is unavailable from the entity or source ordinarily used by the exchange rate agent in the normal course of business, the exchange rate agent will obtain a quotation from a leading foreign exchange bank in New York City, which may be an affiliate of the exchange rate agent or another entity selected by the exchange rate agent for that purpose after consultation with us. If no quotation from a leading foreign exchange bank is available, payment will be made in the applicable foreign currency to the account or accounts specified by DTC to the applicable paying agent, unless the applicable foreign currency is unavailable due to the imposition of exchange controls or other circumstances beyond our control. If payment on a note is required to be made in a currency other than U.S. dollars and that currency is unavailable due to the imposition of exchange controls or other circumstances beyond our control, or is no longer used by the government of the relevant country or for the settlement of transactions by public institutions of or within the international banking community (and is not replaced by another currency), then all payments on that note will be made in U.S. dollars on the basis of the most recently available market exchange rate for the applicable foreign currency. Any payment on a note so made in U.S. dollars will not constitute an event of default under the applicable notes.

The holder of a beneficial interest in global notes held through a DTC participant may elect to receive payments on those notes in a foreign currency by notifying the DTC participant through which it holds its beneficial interests on or prior to the fifteenth business day prior to the record date for the applicable notes of (1) that holder's election to receive all or a portion of the payment in the applicable foreign currency and (2) wire transfer instructions to an account for the applicable foreign currency outside the United States. DTC must be notified of that election and wire transfer instructions (a) on or prior to the fifth business day after the record date for any payment of interest and (b) on or prior to the tenth business day prior to the date for any payment of principal. DTC will notify the trustee of the election and wire transfer instructions (1) on or prior to 5:00 P.M. New York City time on the fifth business day after the record date for any payment of interest and (2) on or prior to 5:00 P.M. New York City time on the tenth business day prior to the date for any payment of principal. If complete instructions are forwarded to and received by DTC through a DTC participant and forwarded by DTC to the trustee and received on or prior to the dates described above, the holder will receive payment in the applicable foreign currency outside DTC; otherwise, only U.S. dollar payments will be made by the trustee to DTC.

## **Table of Contents**

For purposes of the above discussion about currency conversions and payments on notes denominated in a foreign currency, the term **business day** means any weekday that is not a legal holiday in New York, New York or Charlotte, North Carolina and is not a day on which banking institutions in those cities are authorized or required by law or regulation to be closed.

For information regarding risks associated with foreign currencies and exchange rates, see **Risk Factors** **Currency Risks** in the accompanying prospectus.

**Payment of Additional Amounts.** If we so specify in the applicable supplement, and subject to the exceptions and limitations set forth in the accompanying prospectus under **Description of Debt Securities** **Payment of Additional Amounts**, we will pay to the beneficial holder of notes that is a **United States Alien** additional amounts to ensure that every net payment on such notes will not be less, due to the payment of U.S. withholding tax, than the amount then otherwise due and payable. For this purpose, a **net payment** on such notes means a payment by us or any paying agent, including payment of principal and interest, after deduction for any present or future tax, assessment, or other governmental charge of the United States (other than a territory or possession). These additional amounts will constitute additional interest on the note. For this purpose, U.S. withholding tax means a withholding tax of the United States, other than a territory or possession.

Except as specifically provided in the accompanying prospectus under **Description of Debt Securities** **Payment of Additional Amounts**, we will not be required to make any payment of any tax, assessment, or other governmental charge imposed by any government, political subdivision, or taxing authority of that government.

For purposes of determining whether the payment of additional amounts is required, the term **United States Alien** means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership to the extent that one or more of its members is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual, or a non-resident alien fiduciary of a foreign estate or trust.

If we so specify in the applicable supplement, we may redeem the notes, in whole but not in part, at any time before maturity if we have or will become obligated to pay additional amounts as a result of a change in, or an amendment to, United States tax laws or regulations, as described in the accompanying prospectus under **Description of the Debt Securities** **Redemption for Tax Reasons**, subject to any required approvals as described below under **Redemption**.

For more information about payment procedures, including payments in a currency other than U.S. dollars, see **Description of Debt Securities** **Payment of Principal, Interest, and Other Amounts Due** in the accompanying prospectus.

## **Ranking**

Because we are a holding company, our right to participate in any distribution of assets of any subsidiary upon such subsidiary's liquidation or reorganization or otherwise is subject to the prior claims of creditors of that subsidiary, except to the extent we may ourselves be recognized as a creditor of that subsidiary. Accordingly, our obligations under senior notes or subordinated notes will be structurally subordinated to all existing and future liabilities of our subsidiaries, and claimants should look only to our assets for payments. In addition, the senior notes and the subordinated notes will be unsecured and therefore in a bankruptcy or similar proceeding will effectively rank junior to our secured obligations to the extent of the value of the assets securing such obligations. See **Risk Factors**.

---

## **Table of Contents**

**Senior Notes.** The senior notes will be unsecured and will rank equally with all our other unsecured and unsubordinated obligations from time to time outstanding, except obligations, including deposit liabilities, that are subject to any priorities or preferences by law.

The Senior Indenture and the senior notes do not contain any limitation on the amount of obligations that we may incur in the future.

**Subordinated Notes.** Our indebtedness evidenced by the subordinated notes, including the principal, premium (if any), interest, and other amounts payable (if any), will be unsecured and will be subordinate and junior in right of payment to all of our senior indebtedness from time to time outstanding to the extent and in the manner provided in the Subordinated Indenture. The subordinated notes will rank equally in right of payment with all our other unsecured and subordinated indebtedness, other than unsecured and subordinated indebtedness that by its terms is subordinated to the subordinated notes. Payment of principal of our subordinated indebtedness, including any subordinated notes, may not be accelerated if there is a default in the payment of amounts due under, or a default in any of our other covenants applicable to, our subordinated indebtedness.

The Subordinated Indenture and the subordinated notes do not contain any limitation on the amount of obligations ranking senior to the subordinated notes, or the amount of obligations ranking equally with the subordinated notes, that we may incur in the future.

Unless we specify otherwise in the applicable supplement, the subordinated notes will not be guaranteed by us or any of our affiliates and will not be subject to any other arrangement that legally or economically enhances the ranking of the subordinated notes. For more information about our subordinated notes, see *Description of Debt Securities Subordination* in the accompanying prospectus.

## **Remedies**

*The following supersedes the information in the accompanying prospectus under the heading *Description of the Debt Securities Events of Default and Rights of Acceleration* and *Description of the Debt Securities Collection of Indebtedness* beginning on page 38 for all notes issued under either Indenture on and after January 13, 2017.*

**Events of Default and Rights of Acceleration; Covenant Breaches.** The Senior Indenture defines an event of default for a series of senior debt securities, including senior notes, as any one of the following events:

- (1) our failure to pay principal of or any premium on any senior debt securities of that series when due and payable, and continuance of such default for a period of 30 days;
  - (2) our failure to pay interest on any senior debt securities of that series when due and payable, and continuance of such default for a period of 30 days;
  - (3) specified events involving our bankruptcy, insolvency, or liquidation; and
  - (4) any other events of default specified for a series of senior debt securities pursuant to the Senior Indenture.
- Any additional or different events of default for an issue of senior notes will be specified in the applicable supplement.

## **Table of Contents**

The Subordinated Indenture defines an event of default for subordinated debt securities only as our voluntary or involuntary bankruptcy under U.S. federal bankruptcy laws (and, in the case of our involuntary bankruptcy, continuing for a period of 60 days) and any other events of default specified for a series of subordinated debt securities pursuant to the Subordinated Indenture.

Unless otherwise specified in the applicable supplement, if an event of default under the Senior Indenture or under the Subordinated Indenture occurs and is continuing, either the trustee or the holders of 25% in aggregate principal amount of the debt securities outstanding under the applicable Indenture (or, in the case of an event of default under the Senior Indenture with respect to a series of senior notes, the holders of 25% in aggregate principal amount of the outstanding debt securities, including such senior notes, of all series affected) may declare the principal amount, or, if the debt securities are issued with original issue discount, such amount as described in the applicable supplement, of all debt securities (or the outstanding debt securities, including such senior notes, of all series affected, as the case may be) to be due and payable immediately. The holders of a majority in principal amount of the debt securities then outstanding (or of the series affected, as the case may be), in some circumstances, may annul the declaration of acceleration and waive past defaults.

With respect to any of our covenants in debt securities or the applicable Indenture other than those for which acceleration rights are available, as discussed above, the trustee and the holders of the debt securities may pursue certain remedies as described below or as set forth in the applicable Indenture.

Unless otherwise specified in the applicable supplement, with respect to any senior notes issued under the Senior Indenture on or after January 13, 2017, an event of default will not occur, and neither the trustee nor the holders of such senior notes will have the right to accelerate the payment of principal of such senior notes, as a result of a covenant breach (other than a covenant breach for which acceleration rights are available, as discussed above). In addition, an event of default will not occur, and neither the trustee nor the holders of such senior notes will have the right to accelerate the payment of principal of such senior notes, as a result of our failure to pay principal of or premium on such senior notes when due and payable until such default has continued for a period of 30 days.

Unless otherwise specified in the applicable supplement, payment of principal of the subordinated debt securities, including the subordinated notes, may not be accelerated in the case of a default in the payment of principal or any premium, interest, or other amounts or a breach in the performance of any of our other covenants.

We are required periodically to file with the trustees a certificate stating that we are not in default under any of the terms of the Indentures.

***Collection of Indebtedness and Suits for Enforcement by Trustee.*** If (i) we fail to pay the principal of (or, under the Senior Indenture, any premium on) any debt securities (including the notes), (ii) we are over 30 days late on an interest payment on the debt securities (including the notes), or (iii) for subordinated debt securities (including the subordinated notes), we default in the performance of our other covenants under the Subordinated Indenture, the applicable trustee can demand that we pay to it, for the benefit of the holders of those debt securities, the amount which is due and payable on those debt securities, including any interest incurred because of our failure to make that payment. In the event of our nonpayment of principal or interest (which nonpayment for senior debt securities constitutes an event of default) or a covenant breach, the trustee may take appropriate action, including instituting judicial proceedings against us.

## **Table of Contents**

In addition, a holder of our debt securities, including the notes, also may file suit to enforce our obligation to make payment of principal, any premium, interest, or other amounts due on such debt securities regardless of the actions taken by the trustee.

The holders of a majority in principal amount of debt securities then outstanding under the applicable Indenture may direct the time, method, and place of conducting any proceeding for any remedy available to the trustee under that Indenture. The trustee may decline to act if the direction is contrary to law and in certain other circumstances set forth in the applicable Indenture. The trustee is not obligated to exercise any of its rights or powers under the applicable Indenture at the request or direction of the holders of the debt securities unless the holders offer the trustee reasonable indemnity against expenses and liabilities.

**Limitation on Suits.** Each Indenture provides that no individual holder of debt securities of any series may institute any action against us under that Indenture, except actions for payment of overdue principal and interest, unless the following actions have occurred:

the holder must have previously given written notice to the trustee of the continuing default;

the holders of not less than 25% in principal amount of such outstanding debt securities issued under the applicable Indenture must have (1) requested the trustee to institute proceedings in respect of a default and (2) offered the trustee reasonable indemnity against liabilities incurred by the trustee for taking such action;

the trustee must have failed to institute proceedings within 60 days after receipt of the request referred to above; and

the holders of a majority in principal amount of such outstanding debt securities issued under the applicable Indenture must not have given direction to the trustee inconsistent with the request of the holders referred to above.

However, the holder of any senior debt securities, including senior notes, will have an absolute right to receive payment of principal of and any premium and interest on the senior debt security when due and to institute suit to enforce this payment, and the holder of any subordinated debt securities, including subordinated notes, will have, subject to applicable subordination provisions, the absolute right to receive payment of principal of and any premium and any interest on the subordinated debt security when due in accordance with the Subordinated Indenture and to institute suit to enforce this payment.

## **Limitation on Mergers and Sales of Assets**

*The following supersedes the information in the accompanying prospectus under the heading Description of Debt Securities Limitation on Mergers and Sales of Assets beginning on page 37 for all notes issued under either Indenture as of the date of this prospectus supplement.*

Each Indenture generally permits a consolidation or merger between us and another entity. It also permits the sale or conveyance by us of all or substantially all of our assets. These transactions are permitted if:

the resulting or acquiring entity, if other than us, is organized and existing under the laws of the United States, any state or the District of Columbia and expressly assumes all of our obligations under that Indenture; and

## **Table of Contents**

immediately after the transaction, we (or any successor entity) are not in default in the performance of any covenant or condition under that Indenture, and no event of default has occurred or is continuing.

The foregoing requirements do not apply in the case of a sale or conveyance by us of all or substantially all of our assets to one or more entities that are direct or indirect subsidiaries in which we and/or one or more of our subsidiaries own more than 50% of the combined voting power.

Upon any consolidation, merger, sale or conveyance of this kind (other than a sale or conveyance to our direct or indirect subsidiary or subsidiaries in which we own more than 50% of the combined voting power as described in the preceding paragraph), the resulting or acquiring entity will be substituted for us in the applicable Indenture with the same effect as if it had been an original party to that Indenture. As a result, the successor entity may exercise our rights and powers under that Indenture.

## **Redemption**

The applicable supplement will indicate whether we have the option to redeem notes prior to their stated maturity. If we may redeem the notes prior to their stated maturity, the applicable supplement will indicate the redemption price and method for redemption. See also Description of Debt Securities Redemption in the accompanying prospectus. The redemption of any note that is our eligible LTD will require the prior approval of the Federal Reserve Board if after such redemption we would fail to satisfy our requirements as to eligible LTD or total loss-absorbing capacity under the TLAC Rules. In addition, unless we specify otherwise in the applicable supplement, to the extent then required by applicable laws or regulations, the subordinated notes may not be redeemed prior to their stated maturity without the requisite prior approvals, if any, from applicable regulators.

## **Repayment**

The applicable supplement will indicate whether the notes can be repaid at the holder's option prior to their stated maturity. If the notes may be repaid prior to their stated maturity, the applicable supplement will indicate the amount at which we will repay the notes and the procedure for repayment. Unless we specify otherwise in the applicable supplement, to the extent then required by applicable laws or regulations, the subordinated notes may not be repaid prior to their stated maturity without the requisite prior approvals, if any, from applicable regulators.

## **Reopenings**

We have the ability to reopen, or increase after the issuance date, the principal amount of a particular tranche or series of our notes without notice to the holders of existing notes by selling additional notes having the same terms, provided that such additional notes shall be fungible for U.S. federal income tax purposes. However, any new notes of this kind may have a different offering price and may begin to bear interest at a different date.

## **Extendible/Renewable Notes**

We may issue notes for which the maturity date may be extended at our option or renewed at the option of the holder for one or more specified periods, up to but not beyond the final maturity date stated in the note. The specific terms of and any additional considerations relating to extendible or renewable notes will be set forth in the applicable supplement.

## **Table of Contents**

### **Other Provisions**

Any provisions with respect to the determination of an interest rate basis, the specification of interest rate basis, the calculation of the applicable interest rate, the amounts payable at maturity, interest payment dates, or any other related matters for a particular tranche of notes, may be modified as described in the applicable supplement.

### **Repurchase**

We, or our affiliates, may purchase at any time our notes by tender, in the open market at prevailing prices or in private transactions at negotiated prices. If we purchase notes in this manner, we have the discretion to hold, resell, or cancel any repurchased notes. The repurchase of any note that is our eligible LTD will require the prior approval of the Federal Reserve Board if after such repurchase we would fail to satisfy our requirements as to eligible LTD or total loss-absorbing capacity under the TLAC Rules. Unless we specify otherwise in the applicable supplement, to the extent then required by applicable laws or regulations, the subordinated notes may not be repurchased prior to their stated maturity without the requisite prior approvals, if any, from applicable regulators.

### **Form, Exchange, Registration, and Transfer of Notes**

If we specify in the applicable supplement, your notes will be represented by a kind of global note that we refer to as a master global note. This kind of global note represents multiple notes that have different terms and are issued at different times. Each note evidenced by a master note will be identified by the trustee on a schedule to the master note. If we do not specify in the applicable supplement that your notes will be represented by a master global note, then the notes represented by the same global note will have the same terms.

We will issue each note in book-entry only form. This means that we will not issue certificated notes to each beneficial owner. Instead, the notes will be in the form of a global note or a master global note, in fully registered form, registered and held in the name of the applicable depository or a nominee of that depository. For notes denominated in a currency other than U.S. dollars, the notes may be issued in the form of two global notes, each in fully registered form, one of which will be deposited with DTC, or its custodian, and one of which will be deposited with a common depository for Euroclear Bank SA/NV ( Euroclear ) and/or Clearstream Banking, société anonyme, Luxembourg ( Clearstream ). Unless we specify otherwise in the applicable supplement, the depository for the notes will be DTC. DTC, Euroclear, and Clearstream, as depositories for global securities, and some of their policies and procedures are described under Registration and Settlement Depositories for Global Securities in the accompanying prospectus. For more information about book-entry only notes and the procedures for registration, settlement, exchange, and transfer of book-entry only notes, see Description of Debt Securities Form and Denomination of Debt Securities and Registration and Settlement in the accompanying prospectus.

If we ever issue notes in certificated form, unless we specify otherwise in the applicable supplement, those notes will be in registered form, and the exchange, registration, or transfer of those notes will be governed by the applicable Indenture and the procedures described under Description of Debt Securities Exchange, Registration, and Transfer and Registration and Settlement Registration, Transfer, and Payment of Certificated Securities in the accompanying prospectus.

**Table of Contents**

**U.S. FEDERAL INCOME TAX CONSIDERATIONS**

For the material U.S. federal income tax considerations of the acquisition, ownership and disposition of certain notes, see U.S. Federal Income Tax Considerations on page 99 of the accompanying prospectus and the subsection Taxation of Debt Securities of that section. Special U.S. federal income tax rules are applicable to certain types of notes we may issue under this prospectus supplement. The material U.S. federal income tax considerations with respect to any notes we issue, and which are not addressed in the accompanying prospectus, will be discussed in the applicable supplement.

The following paragraph supplements the discussion under U.S. Federal Income Tax Considerations Foreign Account Tax Compliance Act beginning on page 122 of the accompanying prospectus.

The IRS has announced that withholding and reporting under the Foreign Account Tax Compliance Act on payments of gross proceeds from a sale or redemption of the notes will only apply to payments made after December 31, 2018.

You should consult with your own tax advisor before investing in the notes.

**SUPPLEMENTAL PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)**

We are offering the notes for sale on a continuing basis through the selling agents. The selling agents may act either on a principal basis or on an agency basis. We may offer the notes at varying prices relating to prevailing market prices at the time of resale, as determined by the selling agents, or, if so specified in the applicable supplement, for resale at a fixed public offering price. The applicable supplement will set forth the initial price for the notes, or whether they will be sold at varying prices.

If we sell notes on an agency basis, we will pay a commission to the selling agent to be negotiated at the time of sale. The commission will be determined at the time of sale and will be specified in the applicable supplement. Each selling agent will use its reasonable best efforts when we request it to solicit purchases of the notes as our agent.

Unless otherwise agreed and specified in the applicable supplement, if notes are sold to a selling agent acting as principal, for its own account, or for resale to one or more investors or other purchasers, including other broker-dealers, then any notes so sold will be purchased by that selling agent at a price equal to 100% of the principal amount of the notes less a commission that will be a percentage of the principal amount determined as described above. Notes sold in this manner may be resold by the selling agent to investors and other purchasers from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale, or the notes may be resold to other dealers for resale to investors. The selling agents may allow any portion of the discount received in connection with the purchase from us to the dealers, but the discount allowed to any dealer will not be in excess of the discount to be received by the selling agent from us. After the initial public offering of notes, the selling agent may change the public offering price or the discount allowed to dealers.

We also may sell notes directly to investors, without the involvement of any selling agent. In this case, we would not be obligated to pay any commission or discount in connection with the sale, and we would receive 100% of the principal amount of the notes so sold, unless otherwise specified in the applicable supplement.

## **Table of Contents**

We will name any selling agents or other persons through which we sell any notes, as well as any commissions or discounts payable to those selling agents or other persons, in the applicable supplement. As of the date of this prospectus supplement, our selling agent is Merrill Lynch, Pierce, Fenner & Smith Incorporated ( MLPF&S ). We have entered into a distribution agreement with MLPF&S that describes the offering of notes by them as our agent and as our principal. The distribution agreement has been filed with the SEC on our Current Report on Form 8-K dated January 13, 2017. We also may accept offers to purchase notes through additional selling agents on substantially the same terms and conditions, including commissions, as would apply to purchases through MLPF&S under the distribution agreement. MLPF&S may assign its rights under the distribution agreement to another one of our broker-dealer affiliates under the circumstances set forth in the distribution agreement. If a selling agent purchases notes as principal, that selling agent usually will be required to enter into a separate purchase agreement for the notes, and may be referred to in that purchase agreement and the applicable supplement, along with any other selling agents, as underwriters.

We have the right to withdraw, cancel, or modify the offer made by this prospectus supplement without notice. We will have the sole right to accept offers to purchase notes, and we, in our absolute discretion, may reject any proposed purchase of notes in whole or in part. Each selling agent will have the right, in its reasonable discretion, to reject in whole or in part any proposed purchase of notes through that selling agent.

Any selling agent participating in the distribution of the notes may be considered to be an underwriter, as that term is defined in the Securities Act. We have agreed to indemnify each selling agent and certain other persons against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the selling agents may be required to make. We also have agreed to reimburse the selling agents for certain expenses.

The notes will not have an established trading market when issued, and we do not intend to list the notes on any securities exchange, unless otherwise specified in the applicable supplement. Any selling agent may purchase and sell notes in the secondary market from time to time. However, no selling agent is obligated to do so, and any selling agent may discontinue making a market in the notes at any time without notice. There is no assurance that there will be a secondary market for any of the notes.

To facilitate offerings of the notes by a selling agent that purchases notes as principal, and in accordance with industry practice, selling agents may engage in transactions that stabilize, maintain, or otherwise affect the market price of the notes. Those transactions may include overallocation, entering stabilizing bids, effecting syndicate-covering transactions, and imposing penalty bids to reclaim selling concessions allowed to a member of the syndicate or to a dealer, as follows:

An overallocation in connection with an offering creates a short position in the offered securities for the selling agent's own account.

A selling agent may place a stabilizing bid to purchase a note for the purpose of pegging, fixing, or maintaining the price of that note.

Selling agents may engage in syndicate-covering transactions to cover overallocations or to stabilize the price of the notes by bidding for, and purchasing, the notes or any other securities in the open market in order to reduce a short position created in connection with the offering.

## **Table of Contents**

The selling agent that serves as syndicate manager may impose a penalty bid on a syndicate member to reclaim a selling concession in connection with an offering when offered securities originally sold by the syndicate member are purchased in syndicate-covering transactions, in stabilization transactions, or otherwise.

Any of these activities may stabilize or maintain the market price of the securities above independent market levels. The selling agents are not required to engage in these activities, and may end any of these activities at any time.

MLPF&S, a selling agent and one of our affiliates, is a broker-dealer and member of the Financial Industry Regulatory Authority, Inc., or FINRA. Each initial offering and any remarketing of notes involving any of our broker-dealer affiliates, including MLPF&S, will be conducted in compliance with the requirements of FINRA Rule 5121 regarding a FINRA member firm's offer and sale of securities of an affiliate. None of our broker-dealer affiliates that is a FINRA member will execute a transaction in the notes in a discretionary account without specific prior written approval of the customer, see Plan of Distribution (Conflicts of Interest) Conflicts of Interest in the accompanying prospectus.

Following the initial distribution of any notes, our affiliates, including MLPF&S, may buy and sell the notes in market-making transactions as part of their business as a broker-dealer. Resales of this kind may occur in the open market or may be privately negotiated at prevailing market prices at the time of sale. Notes may be sold in connection with a remarketing after their purchase by one or more firms. Any of our affiliates may act as principal or agent in these transactions.

This prospectus supplement may be used by one or more of our affiliates in connection with offers and sales related to market-making transactions in the notes, including block positioning and block trades, to the extent permitted by applicable law. Any of our affiliates may act as principal or agent in these transactions.

Notes sold in market-making transactions include notes issued after the date of this prospectus supplement as well as previously-issued securities. Information about the trade and settlement dates, as well as the purchase price, for a market-making transaction will be provided to the purchaser in a separate confirmation of sale. Unless we or one of our selling agents informs you in the confirmation of sale that notes are being purchased in an original offering and sale, you may assume that you are purchasing the notes in a market-making transaction.

MLPF&S and other selling agents that we may name in the future, or their affiliates, have engaged, and may in the future engage, in investment banking, commercial banking, and financial advisory transactions with us and our affiliates. These transactions are in the ordinary course of business for the selling agents and us and our respective affiliates. In these transactions, the selling agents or their affiliates receive customary fees and expenses.

In the applicable supplement, we will specify the settlement period for the offered notes. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise. Accordingly, if we specify a longer settlement cycle in the applicable supplement for an offering of notes, purchasers who wish to trade those notes on the date of the contract of sale, or on one or more of the next succeeding business days as specified in the applicable supplement, will be required to specify an alternative settlement cycle at the time of the trade to prevent a failed settlement and should consult their own advisors in connection with that election.

---

## **Table of Contents**

### **Selling Restrictions**

**General.** Each of the selling agents, severally and not jointly, has represented and agreed that it has not and will not offer, sell, or deliver any note, directly or indirectly, or distribute this prospectus supplement or the accompanying prospectus, or any other offering material relating to any of the notes, in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations and that will not impose any obligations on us except as set forth in the distribution agreement.

**Argentina.** We have not made, and will not make, any application to obtain an authorization from the Comisión Nacional de Valores (the CNV ) for the public offering of the notes in Argentina. The CNV has not approved the terms and conditions of the notes, their issuance or offering, this prospectus supplement or the accompanying prospectus, or any other document relating to the offering of the notes. The selling agents have not offered or sold, and will not offer or sell, any of the notes in Argentina, except in transactions that will not constitute a public offering of securities within the meaning of Sections 2 and 83 of the Argentine Capital Markets Law No. 26,831. Argentine insurance companies may not purchase the notes.

**Australia.** No prospectus or other disclosure document (as defined in the Corporations Act of 2001 (Cth) of Australia (the Corporations Act )) in relation to the program or any notes has been, or will be, lodged with the Australian Securities and Investments Commission ( ASIC ) or the Australian Securities Exchange operated by ASX Limited ( ASX ). Each selling agent has represented and agreed that in connection with the distribution of the notes, it:

- (a) must not make any offer or invitation in Australia or which is received in Australia in relation to the issue, sale or purchase of any notes unless the offeree or invitee is required to pay at least A\$500,000 for the notes or its foreign currency equivalent (in either case disregarding amounts, if any, lent by us or any other person offering the notes or its associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act), or it is otherwise an offer or invitation in respect of which, by virtue of section 708 of the Corporations Act, no disclosure is required to be made under Part 6D.2 of the Corporations Act and provided that in any case the offeree or invitee is not a retail client (within the meaning of section 761G or section 761GA of the Corporations Act); and
- (b) has not circulated or issued and must not circulate or issue this prospectus supplement or the accompanying prospectus or any disclosure document relating to the notes in Australia or which is received in Australia which requires lodging under Division 5 of Part 6D.2 or under Part 7.7 of the Corporations Act or would otherwise require any document to be lodged with ASIC or the ASX or any other regulatory authority in Australia.

We are not authorized under the Banking Act 1959 of the Commonwealth of Australia (the Australian Banking Act ) to carry on banking business and are not subject to prudential supervision by the Australian Prudential Regulation Authority. The notes are not Deposit Liabilities under the Australian Banking Act.

**Austria.** The notes may only be offered in the Republic of Austria in accordance with the Austrian Capital Market Act and any other laws and regulations applicable in the Republic of Austria governing the issue, offer and sale of securities in the Republic of Austria. The notes are not registered or otherwise authorized for public offer under the Austrian Capital Market Act or any other applicable laws and regulations in Austria. The recipients of this prospectus supplement, the accompanying prospectus and any other selling materials in respect to the notes are qualified investors within the meaning of the Austrian Capital Market Act, i.e., persons who purchase and

## **Table of Contents**

sell securities as part of their profession or business, and are targeted exclusively on the basis of a private placement. Accordingly, the notes may not be, and are not being issued, offered or advertised publicly or offered similarly under either the Austrian Capital Market Act or any other relevant securities legislation in Austria. We are a U.S. bank holding company and a financial holding company. We are not a bank under the Austrian Banking Act (*Bankwesengesetz*) and are not EU passported to perform banking business in Austria.

**Brazil.** The information contained in this prospectus supplement or in the accompanying prospectus does not constitute a public offering or distribution of securities in Brazil and no registration or filing with respect to any securities or financial products described in these documents has been made with the Comissão de Valores Mobiliários (the CVM). No public offer of securities or financial products described in this prospectus supplement or in the accompanying prospectus should be made in Brazil without the applicable registration at the CVM.

**Canada.** Each selling agent has represented and agreed that in connection with the distribution of the notes it will sell the notes from outside Canada solely to purchasers purchasing as principal that are both accredited investors as defined in National Instrument 45-106 *Prospectus and Registration Exemptions* and permitted clients as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

**Chile.** The notes have not been registered with the Superintendency of Securities and Insurance of Chile, and the notes may not be offered or sold to persons in Chile, except in circumstances which do not result in an offer to the public in Chile, within the meaning of Chilean Law.

**The People's Republic of China.** This prospectus supplement and the accompanying prospectus have not been filed with or approved by the People's Republic of China (for such purposes, not including Hong Kong and Macau Special Administrative Regions or Taiwan) authorities, and is not an offer of securities (whether public offering or private placement) within the meaning of the Securities Law or other pertinent laws and regulations of the People's Republic of China. This prospectus supplement and the accompanying prospectus shall not be delivered to any party who is not an intended recipient or offered to the general public if used within the People's Republic of China, and the notes so offered cannot be sold to anyone that is not a qualified purchaser of the People's Republic of China. Each selling agent has represented, warranted and agreed that the notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China, except under circumstances that will result in compliance with applicable laws and regulations.

**European Economic Area.** From January 1, 2018, unless otherwise specified in the applicable supplement, in respect of any notes offered under this prospectus supplement and accompanying prospectus, each selling agent has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the European Economic Area. For purposes of this provision, the expression retail investor means a person who is one (or more) of the following: a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ( MiFID II ) or a customer within the meaning of Directive 2002/92/EC, as amended ( IMD ), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or not a qualified investor as defined in Directive 2003/71/EC, as amended (the Prospectus Directive ); and the expression of an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes.

---

**Table of Contents**

Prior to January 1, 2018, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State ), each selling agent has represented and agreed, and each further selling agent appointed under the program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date ), it has not made and will not make an offer of notes which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of each selling agent or other agent(s) nominated by us for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of notes referred to in (a) to (c) above shall require us or any selling agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of notes to the public in relation to any notes in any Relevant Member State, means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (as amended by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

**France.** This prospectus supplement and accompanying prospectus have not been approved by the *Autorité des marchés financiers* ( AMF ). Each of the selling agents has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, the notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France this prospectus supplement, the accompanying prospectus or any other offering material relating to the notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of the investment service of portfolio management for the account of third parties, (b) qualified investors (*investisseurs qualifiés*), acting for their own account, (c) a restricted group of investors (*cercle restreint d'investisseurs*) acting for their own account and/or (d) other investors in circumstances which do not require the publication by the offeror of a prospectus pursuant to the French *Code monétaire et financier* and the *Règlement général* of the AMF all as defined in, and in accordance with, Articles L.411-2, D.411-1, D.411-4, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier* and other applicable regulations. The direct or indirect resale of the notes to the public in France may be made only as provided by, and in accordance with, Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French *Code monétaire et financier*.

---

**Table of Contents**

**Hong Kong.** Each selling agent has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ( Hong Kong ), by means of any document, any notes other than (i) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the SFO ) and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a prospectus as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the CO ) or which do not constitute an offer to the public within the meaning of the CO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation, or document relating to the notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the notes that are or are intended to be disposed of (i) only to persons outside Hong Kong or (ii) only to professional investors as defined in the SFO and any rules made under the SFO.

**Indonesia.** The notes offered do not constitute a public offering under the Indonesian Capital Market Law (Law No. 8/1995). The notes under this prospectus supplement and accompanying prospectus may not be offered or sold, directly or indirectly, within Indonesia territory or to Indonesian citizens (wherever they are domiciled or located), entities or residents in a manner which constitutes a public offering of the notes under the laws and regulations of Indonesia, including but not limited to the Law No. 8/1995 as amended or replaced from time to time. The Indonesian Financial Services Authority (OJK) does not review or declare its approval or disapproval of the issuance of the notes, nor does it make any determinations as to the accuracy or adequacy of this prospectus supplement and the accompanying prospectus. Likewise, the notes and this prospectus supplement and accompanying prospectus are not authorized by the Central Bank (Bank Indonesia) for their distribution through banking institutions in Indonesia.

Investors who intend to buy the notes should consult with their financial advisors, brokers or other financial experts before making any decision to buy the notes.

**Israel.** This prospectus supplement and the accompanying prospectus are intended solely for investors listed in the First Supplement of the Israeli Securities Law of 1968, as amended. A prospectus has not been prepared or filed, and will not be prepared or filed, in Israel relating to the notes offered hereunder. The notes cannot be resold in Israel other than to investors listed in the First Supplement of the Israeli Securities Law of 1968, as amended.

No action will be taken in Israel that would permit an offering of the notes or the distribution of any offering document or any other material to the public in Israel. In particular, no offering document or other material has been reviewed or approved by the Israel Securities Authority. Any material provided to an offeree in Israel may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been provided directly by us or the selling agents.

Nothing in this prospectus supplement, the accompanying prospectus or any other offering material relating to the notes, should be considered as the rendering of a recommendation or advice, including investment advice or investment marketing under the Law For Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management, 1995, to

---

**Table of Contents**

purchase any note. The purchase of any note will be based on an investor's own understanding, for the investor's own benefit and for the investor's own account and not with the aim or intention of distributing or offering to other parties. In purchasing the notes, each investor declares that it has the knowledge, expertise and experience in financial and business matters so as to be capable of evaluating the risks and merits of an investment in the notes, without relying on any of the materials provided.

**Italy.** The offering of the notes has not been registered with CONSOB (*Commissione Nazionale per le Società e la Borsa*) (the Italian Companies and Exchange Commission) pursuant to Italian securities legislation and, accordingly, no such notes may be offered, sold or delivered, nor may copies of this prospectus supplement or the accompanying prospectus or of any other document relating to the notes be distributed in the Republic of Italy except:

- (a) to qualified investors (*investitori qualificati*), as defined in Article 34-ter, first paragraph, letter (b), of CONSOB Regulation No. 11971 of May 14, 1999, as amended ( CONSOB Regulation No. 11971 ), pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the Italian Financial Services Act ); or
- (b) in other circumstances which are expressly exempted from the rules on offerings of securities to the public (*offerta al pubblico di prodotti finanziari*) pursuant to Article 100 of the Italian Financial Services Act and Article 34-ter, first paragraph, of CONSOB Regulation No. 11971.

In addition and without prejudice to the foregoing, any offer, sale or delivery of the notes or distribution of copies of this prospectus supplement and the accompanying prospectus or any other document relating to such notes in the Republic of Italy under (a) or (b) above must be:

- (a) made by an investment firm, bank or financial intermediary authorized to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, Legislative Decree No. 385 of September 1, 1993, as amended (the Consolidated Banking Act ), and Regulation No. 16190 of October 29, 2007 (as amended from time to time);
- (b) in compliance with Article 129 of Consolidated Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may require the issuer or any entity offering the notes to provide data and information on the issue or the offer of the notes in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations, as well as with any regulations or requirements imposed by CONSOB, the Bank of Italy or other Italian authority.

Please note that in accordance with Article 100-bis of the Financial Services Act, concerning the circulation of financial products, where no exemption from the rules on offerings of securities to the public applies under (a) and (b) above, the subsequent distribution of the notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and CONSOB Regulation No. 11971. Furthermore, Article 100-bis of the Financial Services Act affects the transferability of the notes in the Republic of Italy to the extent that any placing of the notes is made solely with qualified investors and the notes are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if a prospectus has not been published, purchasers of the notes who are acting outside of the course of their business or profession may be entitled to declare such purchase null and void and to claim damages from any authorized intermediary at whose premises the notes were purchased, unless an exemption provided for by the Financial Services Act applies.

---

**Table of Contents**

**Japan.** The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948, as amended, the FIEL ). Each selling agent has represented and agreed that it has not offered or sold and will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person or resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations, and ministerial guidelines of Japan.

If the offer is made by way of a Qualified Institutional Investors Placement as set out in Article 2, Paragraph 3, Item 2(i) or Article 2, Paragraph 4, Item 2(i) of the FIEL (the QII Private Placement ), the notes are being offered to qualified institutional investors (the QIIs ) as defined in Article 10 of the Cabinet Office Ordinance Concerning the Definition of Terms provided in Article 2 of the FIEL and the investor in any notes is prohibited from transferring such notes in Japan to any person in any way other than to QIIs. As the offering of the notes satisfies the requirements provided in Article 2, Paragraph 3, Item 2(i) or Article 2, Paragraph 4, Item 2(i) of the FIEL, no securities registration statement has been or will get filed under Article 4, Paragraph 1 of the FIEL.

Except in the case the offering is made by way of QII Private Placement, the notes are being offered only to a small number of potential investors (i.e., less than 50 offerees, except QIIs who are offered the notes pursuant to the QII Private Placement), and the investor of any notes (other than the above-mentioned QII investors) is prohibited from transferring such notes to another person in any way other than as a whole to one transferee unless the total number of notes is less than 50 and the notes cannot be divided into any unit/denomination smaller than the unit/denomination represented on the note certificate therefor. As the offering of the notes satisfies the requirements provided in Article 2, Paragraph 3, Item 2(ha) or Article 2, Paragraph 4, Item 2(ha) of the FIEL, no securities registration statement has been or will be filed under Article 4, Paragraph 1 of the FIEL.

**Mexico.** The notes have not been and will not be registered in the National Securities Registry (*Registro Nacional de Valores*). Therefore, the notes may not be offered or sold in the United Mexican States ( Mexico ) by any means except in circumstances which constitute a private offering (*oferta privada*) pursuant to Article 8 of the Securities Market Law (*Ley del Mercado de Valores*) and its regulations. All applicable provisions of the Securities Market Law must be complied with in respect to anything done in relation to the notes in, from or otherwise involving Mexico.

Bank of America Corporation is an entity incorporated pursuant to the laws of the United States of America and holds no authorization permit or license issued by any Mexican governmental agency, regulator or authority in order to operate as a financial entity in Mexico and is not subject to the supervision of Mexican financial authorities.

**Netherlands.** We do not have an authorization from the Dutch Central Bank (*De Nederlandsche Bank N.V.*) pursuant to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) for the pursuit of the business of a credit institution in the Netherlands and therefore do not have a license pursuant to section 2.11(1), 2.12(1), 2.13(1) or 2.20(1) of the Dutch Financial Supervision Act.

Each selling agent has represented and agreed that it has not made and will not make an offer of the notes to the public in the Netherlands other than to qualified investors (*gekwalificeerde beleggers*), provided that no such offer of the notes will require us or any selling agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

---

**Table of Contents**

***New Zealand.*** We do not intend that notes be offered for sale or subscription to the public in New Zealand within the meaning of the Securities Act 1978 of New Zealand. Accordingly, no prospectus has been or will be registered, and no investment statement will be prepared, under the Securities Act 1978 of New Zealand.

The notes shall not be directly or indirectly offered for sale, sold or transferred to any member of the public in New Zealand in breach of the Securities Act 1978 or the Securities Regulations 2009 of New Zealand. In particular, but without limitation, in respect of offers of or invitations for the notes received in New Zealand, the notes may only be offered or transferred either:

- (a) to persons whose principal business is the investment of money or to persons who, in the course of and for the purposes of their business, habitually invest money within the meaning of section 3(2)(a)(ii) of the Securities Act 1978;
- (b) to persons who are each required to pay a minimum subscription price of at least NZ\$500,000 for the notes (disregarding any amount lent by the offeror, us, or any associated person of the offeror or us) before the allotment of those notes and who have a minimum holding of the Notes of at least NZ\$500,000;
- (c) to persons who have each paid a minimum subscription price of at least NZ\$500,000 for notes previously issued by us ( Initial Securities ) (in a single transaction before allotment of Initial Securities and disregarding any amount lent by the offeror, us or any associated person of the offeror or us), provided the date of first allotment of Initial Securities occurred not more than 18 months before the date of offer of the relevant notes; or
- (d) to any other persons in circumstances where there is no contravention of the Securities Act 1978, provided that notes shall not be offered or sold to any eligible person (as defined in section 5(2CC) of the Securities Act 1978) unless that person also satisfies the criteria in paragraphs (a), (b) or (c) above.

In addition, each holder of the notes is deemed to represent and agree that it will not distribute, publish, deliver or disseminate this prospectus supplement and the accompanying prospectus or any other advertisement (as defined in the Securities Act 1978) in relation to any offer of the notes in New Zealand other than to any such persons as referred to in paragraphs (a) to (d) above.

***Philippines.*** **THE NOTES BEING OFFERED OR SOLD HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE SECURITIES REGULATION CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.**

***Singapore.*** This prospectus supplement and the accompanying prospectus have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and the accompanying prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA ), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

---

**Table of Contents**

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,  
securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA except:
  - (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
  - (2) where no consideration is or will be given for the transfer;
  - (3) where the transfer is by operation of law;
  - (4) as specified in Section 276(7) of the SFA; or
  - (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

**South Korea.** The notes have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "FSCMA") and the notes have been and will be offered in Korea as a private placement under the FSCMA. None of the notes may be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "FETL"). For a period of one year from the issue date of the notes, any acquirer of the notes who was solicited to buy the notes in Korea is prohibited from transferring any of the notes to another person in any way other than as a whole to one transferee. Furthermore, the purchaser of the notes shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the notes.

Each selling agent has represented and agreed that it has not offered, sold or delivered the notes directly or indirectly, or offered or sold the notes to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea and will not offer, sell or deliver the notes directly or indirectly, or offer or sell the notes to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FSCMA, the FETL and other relevant laws and regulations of Korea.

**Switzerland.** The notes may not be offered, sold or advertised directly or indirectly into or in Switzerland except in a manner which will not result in a public offering within the meaning of article 652a or 1156 of the Swiss Federal Code of Obligations ("CO") or a listing prospectus within the meaning of Article 27 et seq. of the Listing Rules of SIX Swiss Exchange. Neither this

---

**Table of Contents**

prospectus supplement and the accompanying prospectus nor any other offering or marketing materials relating to the notes have been prepared with regard to the disclosure standards for prospectuses under article 652a or 1156 CO, and therefore do not constitute a prospectus within the meaning of article 652a or 1156 CO. Neither this prospectus supplement and the accompanying prospectus nor any other offering or marketing materials relating to the notes may be distributed, published or otherwise made available in Switzerland except in a manner which will not constitute a public offering of the notes into or in Switzerland.

**Taiwan.** The notes may be made available for purchase outside Taiwan by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

**United Arab Emirates.** This prospectus supplement and the accompanying prospectus have not been approved or licensed by the Central Bank of the United Arab Emirates (the UAE), Securities and Commodities Authority of the UAE (the SCA), the Dubai Financial Services Authority (the DFSA) or any other relevant licensing authority in the UAE. The offer of the notes does not constitute a public offer of securities in the UAE in accordance with relevant laws of the UAE, in particular, the Commercial Companies Law, Federal law No. 8 of 1984 (as amended), SCA Resolution No.(37) of 2012 or otherwise. Accordingly, the notes may not be offered to the public in the UAE (including the Dubai International Financial Centre).

This prospectus supplement and the attached prospectus are strictly private and confidential and are being issued to a limited number of institutional and individual investors:

- (a) who qualify as sophisticated investors;
- (b) upon their request and confirmation that they understand that the notes have not been approved or licensed by or registered with the UAE Central Bank, the SCA, DFSA or any other relevant licensing authorities or governmental agencies in the UAE; and

(c) must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. Each selling agent represents and warrants that it has not and will not offer, sell, transfer or deliver the notes to the public in the UAE (including the Dubai International Financial Centre).

**United Kingdom.** Each selling agent has represented and agreed, and each further selling agent appointed in connection with the notes will be required to represent and agree, that:

- (a) in relation to any notes which have a maturity of less than one year (i) it is a person whose ordinary activities involve it in acquiring, holding, managing, or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any notes other than to persons whose ordinary activities involve them in acquiring, holding, managing, or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage, or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act of 2000 (the FSMA) by us;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any notes in circumstances in which section 21(1) of the FSMA does not apply to us; and

**Table of Contents**

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any notes in, from, or otherwise involving the United Kingdom.

**Uruguay.** The notes have not been registered under Law No. 18.627 of December 2, 2009 with the Superintendency of Financial Services of the Central Bank of Uruguay. The notes are not available publicly in Uruguay and are offered only on a private basis. No action may be taken in Uruguay that would render any offering of the notes a public offering in Uruguay. No Uruguayan regulatory authority has approved the notes or passed on our solvency. In addition, any resale of the notes must be made in a manner that will not constitute a public offering in Uruguay.

*Los valores no han sido registrados bajo la Ley de Mercado de Valores de la República Oriental del Uruguay o registrados ante el Banco Central del Uruguay. Los valores no son ofrecidos en forma pública en Uruguay y lo son únicamente en forma privada. Ninguna acción puede ser adoptada en Uruguay en relación a estos valores que resulte en que esta oferta de valores sea una oferta pública de valores en Uruguay. Ninguna autoridad regulatoria del Uruguay ha aprobado estos valores o se ha manifestado sobre nuestra solvencia. Adicionalmente, cualquier reventa de estos valores debe ser realizada en forma tal que no constituya oferta pública de valores en el Uruguay.*

**Venezuela.** The notes have not been registered with the Comision Nacional de Valores de Venezuela and are not being publicly offered in Venezuela. No document related to the offering of the notes, including this prospectus supplement and the accompanying prospectus, shall be interpreted to constitute an offer of securities or an offer or the rendering of any investment advice, securities brokerage, and/or banking services in Venezuela. Investors wishing to acquire the notes may use only funds located outside of Venezuela.

**LEGAL MATTERS**

The legality of the notes will be passed upon for us by McGuireWoods LLP, Charlotte, North Carolina, and for the selling agents by Morrison & Foerster LLP, New York, New York. McGuireWoods LLP regularly performs legal services for us. Some members of McGuireWoods LLP performing those legal services own shares of our common stock.

**Table of Contents**

**PROSPECTUS**

**\$109,857,980,881**

**Debt Securities, Warrants, Units, Purchase Contracts,**

**Preferred Stock, Depositary Shares, and Common Stock**

We from time to time may offer to sell up to \$109,857,980,881, or the equivalent thereof in any other currency, of debt securities, warrants, purchase contracts, preferred stock, depositary shares representing fractional interests in preferred stock, and common stock, as well as units comprised of one or more of these securities or debt or equity securities of third parties, in any combination. The debt securities, warrants, purchase contracts, and preferred stock may be convertible into or exercisable or exchangeable for our common or preferred stock or for debt or equity securities of one or more other entities. Our common stock is listed on the New York Stock Exchange under the symbol BAC.

This prospectus describes all material terms of these securities that are known as of the date of this prospectus and the general manner in which we will offer the securities. When we sell a particular issue of securities, we will prepare one or more supplements to this prospectus describing the offering and the specific terms of that issue of securities. You should read this prospectus and any applicable supplement carefully before you invest.

We may use this prospectus in the initial sale of these securities. In addition, Merrill Lynch, Pierce, Fenner & Smith Incorporated, or any of our other affiliates, may use this prospectus in a market-making transaction in any of these securities after their initial sale. Unless you are informed otherwise in the confirmation of sale, this prospectus is being used in a market-making transaction.

**Potential purchasers of our securities should consider the information set forth in the Risk Factors section beginning on page 9.**

*Our securities are unsecured and are not savings accounts, deposits, or other obligations of a bank, are not guaranteed by Bank of America, N.A. or any other bank, are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, and may involve investment risks, including possible loss of principal.*

*Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.*

**Prospectus dated May 1, 2015**

**Table of Contents****TABLE OF CONTENTS**

	<b>Page</b>
<u>About this Prospectus</u>	3
<u>Prospectus Summary</u>	4
<u>Risk Factors</u>	9
<u>Currency Risks</u>	9
<u>Reform of LIBOR and EURIBOR and Proposed Regulation of These and Other Benchmarks</u>	11
<u>Risks Related to our Common Stock and Preferred Stock</u>	13
<u>Other Risks</u>	14
<u>Bank of America Corporation</u>	16
<u>Use of Proceeds</u>	16
<u>Description of Debt Securities</u>	17
<u>General</u>	17
<u>The Indentures</u>	17
<u>Form and Denomination of Debt Securities</u>	18
<u>Different Series of Debt Securities</u>	19
<u>Fixed-Rate Notes</u>	20
<u>Floating-Rate Notes</u>	20
<u>Indexed Notes</u>	28
<u>Floating-Rate/Fixed-Rate/Indexed Notes</u>	29
<u>Original Issue Discount Notes</u>	29
<u>Payment of Principal, Interest, and Other Amounts Due</u>	30
<u>No Sinking Fund</u>	33
<u>Redemption</u>	33
<u>Repayment</u>	34
<u>Repurchase</u>	34
<u>Conversion</u>	34
<u>Exchange, Registration, and Transfer</u>	35
<u>Subordination</u>	35
<u>Sale or Issuance of Capital Stock of Banks</u>	36
<u>Limitation on Mergers and Sales of Assets</u>	37
<u>Waiver of Covenants</u>	37
<u>Modification of the Indentures</u>	37
<u>Meetings and Action by Securityholders</u>	38
<u>Events of Default and Rights of Acceleration</u>	38
<u>Collection of Indebtedness</u>	38
<u>Payment of Additional Amounts</u>	39
<u>Redemption for Tax Reasons</u>	42
<u>Defeasance and Covenant Defeasance</u>	43
<u>Notices</u>	44
<u>Concerning the Trustees</u>	44
<u>Governing Law</u>	44
<u>Description of Warrants</u>	44
<u>General</u>	44
<u>Description of Debt Warrants</u>	44
<u>Description of Universal Warrants</u>	45
<u>Modification</u>	46
<u>Enforceability of Rights of Warrantholders; No Trust Indenture Act Protection</u>	47
<u>Description of Purchase Contracts</u>	47
<u>General</u>	47
<u>Purchase Contract Property</u>	47
<u>Information in Supplement</u>	48
<u>Prepaid Purchase Contracts; Applicability of Indenture</u>	49
<u>Non-Prepaid Purchase Contracts; No Trust Indenture Act Protection</u>	49
<u>Pledge by Holders to Secure Performance</u>	50
<u>Settlement of Purchase Contracts That Are Part of Units</u>	50
<u>Failure of Holder to Perform Obligations</u>	50
	<b>Page</b>
<u>Description of Units</u>	51
<u>General</u>	51
<u>Unit Agreements: Prepaid, Non-Prepaid, and Other</u>	51

<u>Modification</u>	52
<u>Enforceability of Rights of Unitholders: No Trust Indenture Act Protection</u>	52
<u>Description of Preferred Stock</u>	53
<u>General</u>	53
<u>Dividends</u>	54
<u>Voting</u>	54
<u>Liquidation Preference</u>	54
<u>Preemptive Rights</u>	55
<u>Existing Preferred Stock</u>	55
<u>Additional Classes or Series of Stock</u>	85
<u>Description of Depositary Shares</u>	85
<u>General</u>	85
<u>Terms of the Depositary Shares</u>	85
<u>Withdrawal of Preferred Stock</u>	86
<u>Dividends and Other Distributions</u>	86
<u>Redemption of Depositary Shares</u>	86
<u>Voting the Deposited Preferred Stock</u>	87
<u>Amendment and Termination of the Deposit Agreement</u>	87
<u>Charges of Depository</u>	87
<u>Miscellaneous</u>	88
<u>Resignation and Removal of Depository</u>	88
<u>Description of Common Stock</u>	88
<u>General</u>	88
<u>Voting and Other Rights</u>	88
<u>Dividends</u>	89
<u>Certain Anti-Takeover Matters</u>	89
<u>Registration and Settlement</u>	91
<u>Book-Entry Only Issuance</u>	91
<u>Certificated Securities</u>	91
<u>Street Name Owners</u>	92
<u>Legal Holders</u>	92
<u>Special Considerations for Indirect Owners</u>	92
<u>Depositories for Global Securities</u>	93
<u>Special Considerations for Global Securities</u>	97
<u>Registration, Transfer, and Payment of Certificated Securities</u>	98
<u>U.S. Federal Income Tax Considerations</u>	99
<u>Taxation of Debt Securities</u>	100
<u>Taxation of Common Stock, Preferred Stock, and Depositary Shares</u>	115
<u>Taxation of Warrants</u>	121
<u>Taxation of Purchase Contracts</u>	121
<u>Taxation of Units</u>	121
<u>Reportable Transactions</u>	121
<u>Foreign Account Tax Compliance Act</u>	122
<u>EU Directive on the Taxation of Savings Income</u>	123
<u>Plan of Distribution (Conflicts of Interest)</u>	124
<u>Distribution Through Underwriters</u>	124
<u>Distribution Through Dealers</u>	125
<u>Distribution Through Agents</u>	125
<u>Direct Sales</u>	125
<u>General Information</u>	125
<u>Market-Making Transactions by Affiliates</u>	126
<u>Conflicts of Interest</u>	126
<u>ERISA Considerations</u>	128
<u>Where You Can Find More Information</u>	130
<u>Forward-Looking Statements</u>	131
<u>Legal Matters</u>	132
<u>Experts</u>	132

**Table of Contents**

**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the SEC, utilizing a shelf registration process. Under this shelf process, we may, from time to time, sell any combination of the securities described in this prospectus or the registration statement in one or more offerings.

This prospectus provides you with all material terms of securities we may offer that are known as of the date of this prospectus and the general manner in which we will offer the securities. Each time we sell securities, we will provide one or more prospectus supplements, product supplements, pricing supplements (each of which we may refer to as a term sheet), and/or index supplements that describe the particular securities offering and the specific terms of the securities being offered. These documents also may add, update, or change information contained in this prospectus. In this prospectus, when we refer to the applicable supplement or the accompanying supplement, we mean the prospectus supplement or supplements, as well as any applicable pricing, product, or index supplements, that describe the particular securities being offered to you. If there is any inconsistency between the information in this prospectus and the applicable supplement, you should rely on the information in the applicable supplement.

The information in this prospectus is not complete and may be changed. You should rely only on the information provided in or incorporated by reference in this prospectus, the accompanying supplement, or documents to which we otherwise refer you. We are not making an offer of these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and the accompanying supplement, as well as information we have filed or will file with the SEC and incorporated by reference in this prospectus, is accurate as of the date of the applicable document or other date referred to in that document. Our business, financial condition, and results of operations may have changed since that date.

Unless we indicate otherwise or unless the context requires otherwise, all references in this prospectus to Bank of America, we, us, our, or similar references are to Bank of America Corporation excluding its consolidated subsidiaries.

References in this prospectus to \$ and dollars are to the currency of the United States of America; and references in this prospectus to and euro are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to Article 109g of the Treaty establishing the European Community, as amended from time to time.

**Table of Contents**

**PROSPECTUS SUMMARY**

This summary section provides a brief overview of all material terms of the securities we may offer that are known as of the date of this prospectus and highlights other selected information from this prospectus. This summary does not contain all the information that you should consider before investing in the securities we may offer using this prospectus. To fully understand the securities we may offer, you should read carefully:

this prospectus, which explains the general terms of the securities we may offer;

the applicable supplement, which explains the specific terms of the particular securities we are offering, and which may update or change the information in this prospectus; and

the documents we refer to in **Where You Can Find More Information** below for information about us, including our financial statements.

**Bank of America Corporation**

Bank of America Corporation is a Delaware corporation, a bank holding company, and a financial holding company. Through our banking and various nonbank subsidiaries throughout the U.S. and in international markets, we provide a diversified range of banking and nonbank financial services and products. Our principal executive offices are located in the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255 and our telephone number is (704) 386-5681.

**The Securities We May Offer**

We may use this prospectus to offer up to \$109,857,980,881, or the equivalent thereof in any other currency, of any of the following securities from time to time:

debt securities;

warrants;

purchase contracts;

preferred stock;

depository shares representing fractional interests in preferred stock;

common stock; and

units, comprised of one or more of any of the securities referred to above or debt or equity securities of third parties, in any combination.

When we use the term securities in this prospectus, we mean any of the securities we may offer with this prospectus, unless we specifically state otherwise. This prospectus, including this summary, describes the general terms of the securities we may offer. Each time we sell securities, we will provide you with the applicable supplement or supplements that will describe the offering and the specific terms of the securities being offered. A supplement may include a discussion of additional U.S. federal income tax consequences and any additional risk factors or other special considerations applicable to those particular securities.

**Debt Securities**

Our debt securities may be either senior or subordinated obligations in right of payment. Our senior and subordinated debt securities will be issued under separate indentures, or contracts, that

## **Table of Contents**

we have with The Bank of New York Mellon Trust Company, N.A., as successor trustee. The particular terms of each series of debt securities will be described in the applicable supplement.

### **Warrants**

We may offer warrants, including:

warrants to purchase our debt securities; and

warrants to purchase or sell, or whose cash value is determined by reference to the performance, level, or value of, one or more of the following:

securities of one or more issuers, including our common or preferred stock, other securities described in this prospectus, or the debt or equity securities of third parties;

one or more currencies, currency units, or composite currencies;

one or more commodities;

any other financial, economic, or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance; and

one or more indices or baskets of the items described above.

For any warrants we may offer, we will describe in the applicable supplement the underlying property, the expiration date, the exercise price or the manner of determining the exercise price, the amount and kind, or the manner of determining the amount and kind, of property to be delivered by you or us upon exercise, and any other specific terms of the warrants. We will issue warrants under warrant agreements that we will enter into with one or more warrant agents.

### **Purchase Contracts**

We may offer purchase contracts requiring holders to purchase or sell, or whose cash value is determined by reference to the performance, level, or value of, one or more of the following:

securities of one or more issuers, including our common or preferred stock, other securities described in this prospectus, or the debt or equity securities of third parties;

one or more currencies, currency units, or composite currencies;

one or more commodities;

any other financial, economic, or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance; and

one or more indices or baskets of the items described above.

For any purchase contracts we may offer, we will describe in the applicable supplement the underlying property, the settlement date, the purchase price, or manner of determining the purchase price, and whether it must be paid when the purchase contract is issued or at a later date, the amount and kind, or manner of determining the amount and kind, of property to be delivered at settlement, whether the holder will pledge property to secure the performance of any obligations the holder may have under the purchase contract, and any other specific terms of the purchase contracts.

## **Table of Contents**

### **Units**

We may offer units consisting of one or more securities described in this prospectus or debt or equity securities of third parties, in any combination. For any units we may offer, we will describe in the applicable supplement the particular securities that comprise each unit, whether or not the particular securities will be separable and, if they will be separable, the terms on which they will be separable, a description of the provisions for the payment, settlement, transfer, or exchange of the units, and any other specific terms of the units. We will issue units under unit agreements that we will enter into with one or more unit agents.

### **Preferred Stock and Depositary Shares**

We may offer our preferred stock in one or more series. For any particular series we may offer, we will describe in the applicable supplement:

the specific designation;

the aggregate number of shares offered;

the dividend rate and periods, or manner of calculating the dividend rate and periods, if any;

the stated value and liquidation preference amount, if any;

the voting rights, if any;

the terms on which the series of preferred stock is convertible into shares of our common stock, preferred stock of another series, or other securities, if any;

the redemption terms, if any; and

any other specific terms of the series.

We also may offer depositary shares, each of which will represent a fractional interest in a share or multiple shares of our preferred stock. We will describe in the applicable supplement any specific terms of the depositary shares. We will issue the depositary shares under deposit agreements that we will enter into with one or more depositories.

### **Form of Securities**

Unless we specify otherwise in the applicable supplement, we will issue the securities in book-entry only form through one or more depositories, such as The Depository Trust Company, Euroclear Bank SA/NV, or Clearstream Banking, société anonyme, Luxembourg, as identified in the applicable supplement. We will issue the securities only in registered form, without coupons, although we may issue the securities in bearer form if we so specify in the applicable supplement. The securities issued in book-entry only form will be uncertificated or will be represented by a global security registered in the name of the specified depository, rather than certificated securities in definitive form registered in the name of each individual investor. Unless we specify otherwise in the applicable supplement, each sale of securities in book-entry form will settle in immediately available funds through the specified depository.

A global security may be exchanged for certificated securities in definitive form registered in the names of the beneficial owners only under the limited circumstances described in this prospectus.



**Table of Contents**

**Payment Currencies**

All amounts payable in respect of the securities, including the purchase price, will be payable in U.S. dollars, unless we specify otherwise in the applicable supplement.

**Listing**

We will state in the applicable supplement whether the particular securities that we are offering will be listed or quoted on a securities exchange or quotation system.

**Distribution**

We may offer the securities under this prospectus:

through underwriters;

through dealers;

through agents; or

directly to purchasers.

The applicable supplement will include any required information about the firms we use and the discounts or commissions we may pay them for their services.

Merrill Lynch, Pierce, Fenner & Smith Incorporated, or any of our other affiliates, may be an underwriter, dealer, or agent for us.

**Market-Making by Our Affiliates**

Following the initial distribution of an offering of securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated, and other affiliates of ours may offer and sell those securities in the course of their businesses as broker-dealers. Merrill Lynch, Pierce, Fenner & Smith Incorporated and any such other affiliates may act as a principal or agent in these transactions. This prospectus and the applicable supplement or supplements also will be used in connection with these market-making transactions. Sales in any of these market-making transactions will be made at varying prices related to prevailing market prices and other circumstances at the time of sale.

If you purchase securities in a market-making transaction, you will receive information about the purchase price and your trade and settlement dates in a separate confirmation of sale.

**Table of Contents****Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred Dividends**

The following table sets forth our consolidated ratios of earnings to fixed charges and earnings to fixed charges and preferred dividends for the periods indicated.

	Three Months Ended		Year Ended December 31			
	March 31, 2015	2014	2013	2012	2011	2010
Ratio of earnings to fixed charges (excluding interest on deposits) <sup>1</sup>	2.86	1.61	2.29	1.21	1.02	.99
Ratio of earnings to fixed charges (including interest on deposits) <sup>1</sup>	2.71	1.55	2.16	1.18	1.02	1.00
Ratio of earnings to fixed charges and preferred dividends (excluding interest on deposits) <sup>1</sup>	2.36	1.42	2.01	1.13	1.02	.96
Ratio of earnings to fixed charges and preferred dividends (including interest on deposits) <sup>1</sup>	2.27	1.38	1.92	1.12	1.02	.96

<sup>1</sup> The earnings for 2010 were inadequate to cover fixed charges, and fixed charges and preferred dividends. The earnings deficiency is a result of \$12.4 billion of goodwill impairment charges during 2010. The coverage deficiency for fixed charges was \$113 million and the coverage deficiency for fixed charges and preferred dividends was \$915 million for 2010.

---

**Table of Contents****RISK FACTORS**

*This section summarizes some specific risks and investment considerations with respect to an investment in our securities. This summary does not describe all of the risks and investment considerations with respect to an investment in our securities, including risks and considerations relating to a prospective investor's particular circumstances. For information regarding risks and uncertainties that may materially affect our business and results, please refer to the information under the captions Item 1A. Risk Factors and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our annual report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus, as well as those risks and uncertainties discussed in our subsequent filings that are incorporated by reference in this prospectus. You should also review the risk factors that will be set forth in other documents that we will file after the date of this prospectus, together with the risk factors set forth in any applicable supplement. Prospective investors should consult their own financial, legal, tax, and other professional advisors as to the risks associated with an investment in our securities and the suitability of the investment for the investor.*

**Currency Risks**

We may issue securities denominated in or whose principal and/or interest is payable in a currency other than U.S. dollars, which we refer to as Non-U.S. Dollar-Denominated Securities. If you intend to invest in any Non-U.S. Dollar-Denominated Securities, you should consult your own financial and legal advisors as to the currency risks related to your investment. The Non-U.S. Dollar-Denominated Securities are not an appropriate investment for you if you are not knowledgeable about the significant terms and conditions of the Non-U.S. Dollar-Denominated Securities, non-U.S. dollar currency transactions, or financial matters in general. The information in this prospectus is directed primarily to investors who are U.S. residents. Investors who are not U.S. residents should consult their own financial and legal advisors about currency-related risks arising from their investment.

**An investment in a Non-U.S. Dollar-Denominated Security involves currency-related risks.** An investment in a Non-U.S. Dollar-Denominated Security entails significant risks that are not associated with a similar investment in a security that is payable solely in U.S. dollars. These risks include possible significant changes in rates of exchange between the U.S. dollar and the relevant non-U.S. dollar currency or currencies and the imposition or modification of foreign exchange controls or other conditions by either the United States or non-U.S. governments. These risks generally depend on factors over which we have no control, such as economic and political events and the supply of and demand for the relevant currencies in the global markets.

**Changes in currency exchange rates can be volatile and may adversely affect an investment in Non-U.S. Dollar-Denominated Securities.** In recent years, exchange rates between the U.S. dollar and other currencies have been highly volatile. This volatility may continue and could spread to other currencies in the future. Fluctuations in currency exchange rates could affect adversely an investment in a Non-U.S. Dollar-Denominated Security, and such changes in exchange rates may vary considerably during the life of that security. Depreciation of the specified currency against the U.S. dollar could result in a decrease in the U.S. dollar-equivalent value of payments on the Non-U.S. Dollar-Denominated Securities, including the principal payable at maturity or the redemption amount payable upon those securities. That in turn could cause the market value of the Non-U.S. Dollar-Denominated Securities to fall.

**We will not adjust Non-U.S. Dollar-Denominated Securities to compensate for changes in foreign currency exchange rates.** Except as described below or in a supplement, we will not make any adjustment in or change to the terms of the Non-U.S. Dollar-Denominated

## **Table of Contents**

Securities for changes in the foreign currency exchange rate for the relevant currency, including any devaluation, revaluation, or imposition of exchange or other regulatory controls or taxes, or for other developments affecting that currency, the U.S. dollar, or any other currency. Consequently, you will bear the risk that your investment may be affected adversely by these types of events.

**Government policy can adversely affect foreign currency exchange rates and an investment in a Non-U.S. Dollar-Denominated Security.** Foreign currency exchange rates either can float or be fixed by sovereign governments. Governments or governmental bodies, including the European Central Bank, may intervene from time to time in their economies to alter the exchange rate or exchange characteristics of their currencies. For example, a central bank may intervene to devalue or revalue a currency or to replace an existing currency. In addition, a government may impose regulatory controls or taxes to affect the exchange rate of its currency or may issue a new currency or replace an existing currency. As a result, the yield or payout of a Non-U.S. Dollar-Denominated Security could be affected significantly and unpredictably by governmental actions. Even in the absence of governmental action directly affecting currency exchange rates, political or economic developments in the country or region issuing the specified currency for a Non-U.S. Dollar-Denominated Security or elsewhere could result in significant and sudden changes in the exchange rate between the U.S. dollar and the specified currency. Changes in exchange rates could affect the value of the Non- U.S. Dollar-Denominated Securities as participants in the global currency markets move to buy or sell the specified currency or U.S. dollars in reaction to these developments.

If a governmental authority imposes exchange controls or other conditions, such as taxes on the exchange or transfer of the specified currency, there may be limited availability of the specified currency for payment on the Non-U.S. Dollar-Denominated Securities at their maturity or on any other payment date. In addition, the ability of a holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

**Non-U.S. Dollar-Denominated Securities may permit us to make payments in U.S. dollars if we are unable to obtain the specified currency.** The terms of any Non-U.S. Dollar-Denominated Securities may provide that we may have the right to make a payment in U.S. dollars instead of the specified currency, if at or about the time when the payment on the Non-U.S. Dollar-Denominated Securities comes due, the specified currency is subject to convertibility, transferability, market disruption, or other conditions affecting its availability because of circumstances beyond our control. These circumstances could include the imposition of exchange controls, our inability to obtain the specified currency because of a disruption in the currency markets for the specified currency, or unavailability because the specified currency is no longer used by the government of the relevant country or for settlement of transactions by public institutions of or within the international banking community. The exchange rate used to make payment in U.S. dollars may be based on limited information and would involve significant discretion on the part of our exchange rate agent who may be one of our affiliates. As a result, the value of the payment in U.S. dollars may be less than the value of the payment you would have received in the specified currency if the specified currency had been available. The exchange rate agent will generally not have any liability for its determinations.

**An investor may bear foreign currency exchange risk in a lawsuit for payment on Non-U.S. Dollar-Denominated Securities.** Any Non-U.S. Dollar-Denominated Securities typically will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on the Non-U.S. Dollar-Denominated Debt Securities would be required to render the judgment in the specified currency. In turn, the judgment would be converted into U.S. dollars at the exchange rate prevailing on the date of entry

## **Table of Contents**

of the judgment. Consequently, in a lawsuit for payment on the Non-U.S. Dollar-Denominated Securities, you would bear currency exchange risk until judgment is entered, which could be a long time.

In courts outside of New York, you may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on Non-U.S. Dollar-Denominated Securities in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date and method used to determine the rate of conversion of the specified currency into U.S. dollars will depend on various factors, including which court renders the judgment.

**Information about foreign currency exchange rates may not be indicative of future performance.** If we issue a Non-U.S. Dollar-Denominated Security, we may include in the applicable supplement information about historical exchange rates for the relevant non-U.S. dollar currency or currencies. Any information about exchange rates that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future.

### **Reform of LIBOR and EURIBOR and Proposed Regulation of These and Other Benchmarks**

The London Interbank Offered Rate ( LIBOR ), the Euro Interbank Offered Rate ( EURIBOR ), and other indices which are deemed benchmarks are the subject of recent national, international, and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or have other consequences which cannot be predicted.

In September 2012, the U.K. government published the results of its review of LIBOR (commonly referred to as the Wheatley Review ). The Wheatley Review made a number of recommendations for changes with respect to LIBOR including the introduction of statutory regulation of LIBOR, the transfer of responsibility for LIBOR from the British Bankers Association to an independent administrator, changes to the method of compilation of lending rates and new regulatory oversight and enforcement mechanisms for rate-setting. Based on the Wheatley Review, final rules for the regulation and supervision of LIBOR by the Financial Conduct Authority (the FCA ) were published and came into effect on April 2, 2013 (the FCA Rules ). In particular, the FCA Rules include requirements that (i) an independent LIBOR administrator monitor and survey LIBOR submissions to identify breaches of practice standards and/or potentially manipulative behavior, and (ii) firms submitting data to LIBOR establish and maintain a clear conflicts of interest policy and appropriate systems and controls. In response to the Wheatley Review recommendations, ICE Benchmark Administration Limited (the ICE Administration ) has been appointed as the independent LIBOR administrator, effective February 1, 2014.

It is not possible to predict the effect of the FCA Rules, any changes in the methods pursuant to which the LIBOR rates are determined, and any other reforms to LIBOR that will be enacted in the U.K., which may adversely affect the trading market for LIBOR-based securities. In addition, any changes announced by the FCA, the ICE Administration, or any other successor governance or oversight body in the method pursuant to which the LIBOR rates are determined may result in a sudden or prolonged decrease (or increase) in the reported LIBOR rates. If that were to occur, the level of interest payments on and the trading value of LIBOR-based securities may be adversely affected. Further, uncertainty as to the extent and manner in which the Wheatley Review recommendations will continue to be adopted and the timing of such changes may adversely affect the current trading market for LIBOR-based securities.

---

**Table of Contents**

At an international level, proposals for the reform of benchmarks include (i) IOSCO's Principles for Financial Market Benchmarks (July 2013), (ii) ESMA-EBA's Principles for the benchmark-setting process (June 2013), and (iii) the European Commission's proposed regulation on indices used as benchmarks in certain financial instruments, financial contracts and investment funds (September 2013) (the Proposed Benchmark Regulation).

The Proposed Benchmark Regulation, if passed in its current form, would apply to contributors, administrators and users of benchmarks in the European Union, and would, among other things, (i) require benchmark administrators to be authorized (or, if non-European Union-based, to be subject to an equivalent regulatory regime) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) ban the use of benchmarks of unauthorized administrators. The scope of the Proposed Benchmark Regulation is wide and, in addition to so-called critical benchmark indices such as LIBOR and EURIBOR, could also potentially apply to many interest rate and foreign exchange rate indices, equity indices, and other indices (including proprietary indices or strategies) where referenced in financial instruments, financial contracts, and investment funds.

It is presently unclear whether the Proposed Benchmark Regulation will be passed in its current form (and in particular, whether it will have the broad scope currently envisaged) and, if so, when it would become effective. However, if so enacted, it could potentially have a material impact on any securities based on or linked to a benchmark index in a range of circumstances including, without limitation, where:

the administrator of an index which is a benchmark relating to a series of securities does not have or obtain or ceases to have the appropriate European Union authorizations in order to operate such a benchmark or is based in a non-European Union jurisdiction which does not have equivalent regulation. In such an event, depending on the particular benchmark and the applicable terms of the securities, the securities could be de-listed (if listed) or may otherwise be adversely affected; and

the methodology or other terms of the benchmark relating to a series of securities is changed in order to comply with the terms of the Proposed Benchmark Regulation, and such changes have the effect of reducing or increasing the published rate or level of the benchmark or of affecting the volatility of such published rate or level, or otherwise result in an adverse effect on the trading market for, return on or the value of the relevant securities.

More broadly, the FCA Rules, the Proposed Benchmark Regulation, and any of the other international, national, or other proposals for reform or general increased regulatory scrutiny of benchmarks could have a material adverse effect on the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain benchmarks, trigger changes in the rules or methodologies used in the determination of certain benchmarks, or may even lead to the disappearance of certain benchmarks. The disappearance of, or uncertainty relating to the continued existence of, a benchmark or changes in the manner of determination of or administration of a benchmark may adversely affect the trading market for, return on, or value of benchmark-based securities.

In addition to the international proposals for the reform of benchmarks described above, there are numerous other proposals, initiatives, and investigations which may impact the use and regulation of benchmarks. For example, there are ongoing global investigations into the setting of foreign exchange rate benchmarks, which may result in further regulation around the setting of foreign exchange rates.

## **Table of Contents**

Any of the above changes or any other consequential changes to LIBOR, EURIBOR, or any other benchmark as a result of U.K., European Union, or other international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes could have a material adverse effect on the value of and return on any securities based on or linked to a benchmark.

### **Risks Related to Our Common Stock and Preferred Stock**

**You may not receive dividends on our common stock.** Holders of our common stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such payments. Furthermore, holders of our common stock are subject to the prior dividend rights of holders of our preferred stock or the depositary shares representing such preferred stock then outstanding. Although we have historically declared cash dividends on our common stock, we are not required to do so and may reduce or eliminate our common stock dividend in the future.

**Our common stock is equity and is subordinate to our existing and future indebtedness and preferred stock.** Shares of our common stock are equity interests in us and do not constitute indebtedness. This means that shares of our common stock will rank junior to all of our indebtedness and to other non-equity claims against us and our assets available to satisfy claims against us, including claims in our liquidation. Additionally, holders of our common stock are subject to the prior dividend and liquidation rights of holders of our outstanding preferred stock or depositary shares representing interests in such preferred stock then outstanding. Our board of directors is authorized to issue additional classes or series of preferred stock without any action on the part of the holders of our common stock. As of March 31, 2015, the aggregate liquidation preference of all our outstanding preferred stock was approximately \$24.6 billion.

**Our preferred stock is equity and is subordinate to our existing and future indebtedness.** Shares of our preferred stock are equity interests in us and do not constitute indebtedness. This means that shares of our preferred stock and any depositary shares which represent interests in shares of our preferred stock will rank junior to all of our indebtedness and to other non-equity claims against us and our assets available to satisfy claims against us, including claims in our liquidation. Our existing and future indebtedness may restrict payment of dividends on our preferred stock. In addition, holders of our preferred stock or depositary shares representing interests in shares of our preferred stock may be fully subordinated to interests held by the U.S. government in the event that we enter into a receivership, insolvency, liquidation, or similar proceeding.

**Cash dividends on our preferred stock are subject to certain limitations.** Unlike indebtedness, where principal and interest customarily are payable on specified due dates, in the case of our preferred stock (1) dividends are payable only when, as and if declared by our board of directors or a duly authorized committee of the board and (2) as a corporation, we are restricted to making dividend payments and redemption payments out of legally available funds. In addition, under the Federal Reserve Board's risk-based capital rules related to additional Tier 1 capital instruments, dividends on our preferred stock may only be paid out of our net income, retained earnings or surplus related to other additional Tier 1 capital instruments.

**Our ability to pay dividends on our common stock and preferred stock may be limited by extensive and changing regulatory considerations.** We and our broker-dealer, bank, and other subsidiaries are subject to extensive laws, regulations, and rules, both in the U.S. and internationally, that may limit directly or indirectly the payment of dividends on our common stock and preferred stock. U.S. federal banking regulators are authorized to determine,

## **Table of Contents**

under certain circumstances relating to the financial condition of a bank or a bank holding company, like Bank of America Corporation, that the payment of dividends would be an unsafe or unsound practice and to prohibit payment of those dividends. For instance, Federal Reserve Board regulations require us to submit a capital plan as part of an annual Comprehensive Capital Analysis and Review in order to assess our capital planning process, including any planned capital actions, such as payment of dividends on common stock and common stock repurchases. Furthermore, many rules and regulations are in proposed form and subject to periods of significant comment and further revisions. As a result, there is considerable uncertainty about what the final versions of these proposed rules and regulations will be or the impact they may have on us and our subsidiaries. While we closely monitor various regulatory developments and intend to manage our assets and liabilities and our operations to comply with new laws, regulations, and rules at the time they become effective, there is no assurance that we will be compliant with all such laws, regulations, and rules at such times and a failure to be so compliant could adversely affect our ability to pay dividends on our common stock and preferred stock.

**If we are deferring payments on our outstanding junior subordinated notes or are in default under the indentures governing those securities, we will be prohibited from making distributions on our common stock and preferred stock, or redeeming our preferred stock.** The terms of our outstanding junior subordinated notes prohibit us from declaring or paying any dividends or distributions on our common stock and preferred stock, or redeeming, purchasing, acquiring, or making a liquidation payment on such stock, if we are aware of any event that would be an event of default under the indenture governing those junior subordinated notes or at any time when we have deferred payment of interest on those junior subordinated notes.

## **Other Risks**

**Our ability to pay dividends on our common stock and preferred stock and to make payments on our other securities depends upon the results of operations of our subsidiaries.** As a holding company, we conduct substantially all of our operations through our subsidiaries and depend on dividends, distributions, and other payments from our banking and nonbank subsidiaries to fund dividend payments on our common stock and preferred stock and to fund all payments on our other obligations, including debt obligations. Many of our subsidiaries, including our bank and broker-dealer subsidiaries, are subject to laws that restrict dividend payments or authorize regulatory bodies to block or reduce the flow of funds from those subsidiaries to us or to our other subsidiaries. In addition, our bank and broker-dealer subsidiaries are subject to restrictions on their ability to lend or transact with affiliates and to minimum regulatory capital and liquidity requirements. These restrictions could prevent those subsidiaries from making distributions to us or otherwise providing cash to us that we need in order to make payments on the securities.

**Our obligations on the securities will be structurally subordinated to liabilities of our subsidiaries.** Because we are a holding company, our right to participate in any distribution of assets of any subsidiary upon such subsidiary's liquidation or reorganization or otherwise is subject to the prior claims of creditors of that subsidiary, except to the extent we may ourselves be recognized as a creditor of that subsidiary. As a result, our obligations under the securities will be structurally subordinated to all existing and future liabilities of our subsidiaries, and claimants should look only to our assets for payments.

**We cannot assure you that a trading market for your securities will ever develop or be maintained.** We may not list our securities on any securities exchange. We cannot predict how these securities will trade in the secondary market or whether that market will be liquid or illiquid. The number of potential buyers of our securities in any secondary market may be limited. Although

**Table of Contents**

any underwriters or agents may purchase and sell our securities in the secondary market from time to time, these underwriters or agents will not be obligated to do so and may discontinue making a market for the securities at any time without giving us notice. We cannot assure you that a secondary market for any of our securities will develop, or that if one develops, it will be maintained.

**Redemption of the securities prior to maturity may result in a reduced return on your investment.** The terms of our securities may permit or require redemption of the securities prior to maturity. That redemption may occur at a time when prevailing interest rates are relatively low. As a result, in the case of debt or similar securities, a holder of the redeemed securities may not be able to invest the redemption proceeds in a new investment that yields a similar return.

**Payments on the securities are subject to our credit risk, and actual or perceived changes in our creditworthiness may affect the value of the notes.** Our credit ratings are an assessment of our ability to pay our obligations. Consequently, our perceived creditworthiness and actual or anticipated changes in our credit ratings may affect the market value of our securities. However, because the return on our securities generally depends upon factors in addition to our ability to pay our obligations, an improvement in our credit ratings will not reduce the other investment risks, if any, related to our securities.

**Table of Contents**

**BANK OF AMERICA CORPORATION**

Bank of America Corporation is a Delaware corporation, a bank holding company, and a financial holding company. Our principal executive offices are located in the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255 and our telephone number is (704) 386-5681. Through our banking and various nonbank subsidiaries throughout the United States and in international markets, we provide a diversified range of banking and nonbank financial services and products.

**USE OF PROCEEDS**

Unless we describe a different use in the applicable supplement, we will use the net proceeds from the sale of the securities for general corporate purposes. General corporate purposes include, but are not limited to, the following:

our working capital needs;

the funding of investments in, or extensions of credit to, our subsidiaries;

possible reductions, redemptions, or repurchases of outstanding indebtedness;

possible repayments on outstanding indebtedness;

the possible acquisitions of, or investments in, other financial institutions or other businesses; and

other uses in the ordinary course of conducting our business.

Until we designate the use of these net proceeds, we will invest them temporarily. From time to time, we may engage in additional financings as we determine appropriate based on our needs and prevailing market conditions. These additional financings may include the sale of other securities.

**Table of Contents**

**DESCRIPTION OF DEBT SECURITIES**

**General**

We may issue senior or subordinated debt securities. Neither the senior debt securities nor the subordinated debt securities will be secured by any of our property or assets. As a result, by owning a debt security, you are one of our unsecured creditors.

The senior debt securities will constitute part of our senior debt, will be issued under our senior debt indenture described below, and will rank equally with all of our other unsecured and unsubordinated debt.

The subordinated debt securities will constitute part of our subordinated debt, will be issued under our subordinated debt indenture described below, and will be subordinated in right of payment to all of our senior indebtedness, as defined in the subordinated debt indenture. Neither the senior debt indenture nor the subordinated debt indenture limits our ability to incur additional senior indebtedness.

**The Indentures**

The senior debt securities and the subordinated debt securities each are governed by a document called an indenture, which is a contract between us and the applicable trustee. Senior debt securities will be issued under the Indenture dated as of January 1, 1995 (as supplemented, the Senior Indenture ) between us and The Bank of New York Mellon Trust Company, N.A., as successor trustee, and subordinated debt securities will be issued under the Indenture dated as of January 1, 1995 (as supplemented, the Subordinated Indenture ) between us and The Bank of New York Mellon Trust Company, N.A., as successor trustee. The indentures are substantially identical, except for:

the covenant described below under Sale or Issuance of Capital Stock of Banks, which is included only in the Senior Indenture;

the provisions relating to subordination described below under Subordination, which are included only in the Subordinated Indenture; and

the events of default described below under Events of Default and Rights of Acceleration, many of which are not included in the Subordinated Indenture.

In this prospectus, when we refer to debt securities, we mean both our senior debt securities and our subordinated debt securities, and when we refer to the indenture or the trustee with respect to any debt securities, we mean the indenture under which those debt securities are issued and the trustee under that indenture.

The trustee under each indenture has two principal functions:

First, the trustee can enforce your rights against us if we default. However, there are limitations on the extent to which the trustee may act on your behalf, which we describe below under Collection of Indebtedness.

Second, the trustee performs administrative duties for us, including the delivery of interest payments and notices.

## **Table of Contents**

Neither indenture limits the aggregate amount of debt securities that we may issue or the number of series or the aggregate amount of any particular series. The indentures and the debt securities also do not limit our ability to incur other indebtedness or to issue other securities. This means that we may issue additional debt securities and other securities at any time without your consent and without notifying you. In addition, neither indenture contains provisions protecting holders against a decline in our credit quality resulting from takeovers, recapitalizations, the incurrence of additional indebtedness, or restructuring. If our credit quality declines as a result of an event of this type, or otherwise, any ratings of our debt securities then outstanding may be withdrawn or downgraded.

This section is a summary of the general terms and provisions of the indentures. We have filed the indentures with the SEC as exhibits to the registration statement of which this prospectus forms a part. See [Where You Can Find More Information](#) below for information on how to obtain copies of the indentures. Whenever we refer to the defined terms of the indentures in this prospectus or in a supplement without defining them, the terms have the meanings given to them in the indentures. You must look to the indentures for the most complete description of the information summarized in this prospectus.

### **Form and Denomination of Debt Securities**

Unless we specify otherwise in the applicable supplement, we will issue each debt security in book-entry form. Debt securities in book-entry form will be represented by a global security registered in the name of a depository. Accordingly, the depository will be the holder of all the debt securities represented by the global security. Those who own beneficial interests in a global security will do so through participants in the depository's securities clearing system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depository and its participants. We describe the procedures applicable to book-entry securities below under the heading [Registration and Settlement](#).

Generally, all securities represented by the same global security will have the same terms. We may, however, issue a global security that represents multiple debt securities that have different terms and are issued at different times. We call this kind of global security a master global security. Your prospectus supplement will not indicate whether your debt securities are represented by a master global security.

Unless we specify otherwise in the applicable supplement, we will issue our debt securities in fully registered form, without coupons. If we issue a debt security in bearer form, we will describe the special considerations applicable to bearer securities in the applicable supplement. Some of the features that we describe in this prospectus may not apply to the bearer securities.

Our debt securities may be denominated, and cash payments with respect to the debt securities may be made, in U.S. dollars or in another currency, or in a composite currency, a basket of currencies, or a currency unit or units. Unless we specify otherwise in the applicable supplement, the debt securities will be denominated, and cash payments with respect to the debt securities will be made, in U.S. dollars, and the debt securities ordinarily will be issued in denominations of \$1,000 and multiples of \$1,000 in excess of \$1,000. We may also issue debt securities that are denominated in units of \$10. If any of the debt securities are denominated, or if principal, any premium, interest, and any other amounts payable on any of the debt securities is payable, in a foreign currency, or in a composite currency, a basket of currencies, or a currency unit or units, the specified currency, as well as any additional investment considerations, risk factors, restrictions, tax consequences, specific terms and other information relating to that issue of debt securities and

## **Table of Contents**

the specified currency, composite currency, basket of currencies, or currency unit or units, may be described in the applicable supplement. We describe some of those investment considerations relating to securities denominated or payable in a currency other than U.S. dollars above under the heading Risk Factors.

### **Different Series of Debt Securities**

We may issue our debt securities from time to time in one or more series with the same or different maturities. We also may reopen a series of our debt securities. This means that we can increase the principal amount of a series of our debt securities by selling additional debt securities with the same terms, provided that such additional notes shall be fungible for U.S. federal income tax purposes. We may do so without notice to the existing holders of securities of that series. However, any new securities of this kind may begin to bear interest at a different date.

This section of the prospectus summarizes the material terms of the debt securities that are common to all series. We will describe the financial and other specific terms of the series of debt securities being offered in the applicable supplement. The supplement also may describe any differences from the material terms described in this prospectus. If there are any differences between the applicable supplement and this prospectus, the applicable supplement will control.

The terms of your series of debt securities as described in the applicable supplement may include the following:

the title and type of the debt securities;

the principal amount of the debt securities;

the minimum denominations, if other than \$1,000 and multiples of \$1,000 in excess of \$1,000;

the percentage of the stated principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;

the person to whom interest is payable, if other than the owner of the debt securities;

the maturity date or dates;

the interest rate or rates, which may be fixed or variable, and the method used to calculate that interest;

any index or other reference asset or assets that will be used to determine the amounts of any payments on the debt securities and the manner in which those amounts will be determined;

the interest payment dates, the regular record dates for the interest payment dates, the date interest will begin to accrue, and the applicable business day convention;

the place or places where payments on the debt securities may be made and the place or places where the debt securities may be presented for registration of transfer or exchange;

any date or dates after which the debt securities may be redeemed, repurchased, or repaid in whole or in part at our option or the option of the holder, and the periods, prices, terms, and conditions of that redemption, repurchase, or repayment;

**Table of Contents**

if other than the full principal amount, the portion of the principal amount of the debt securities that will be payable if their maturity is accelerated;

the currency of principal, any premium, interest, and any other amounts payable on the debt securities, if other than U.S. dollars;

if the debt securities will be issued in other than book-entry form;

the identification of or method of selecting any calculation agents, exchange rate agents, or any other agents for the debt securities;

any provisions for the discharge of our obligations relating to the debt securities by the deposit of funds or U.S. government obligations;

any provisions relating to the extension or renewal of the maturity date of the debt securities;

whether the debt securities will be listed on any securities exchange; or

any other terms of the debt securities that are permitted under the applicable indenture.

**Fixed-Rate Notes**

*General.* We may issue debt securities that bear interest at one or more fixed rates of interest, as specified in the applicable supplement. We refer to these as fixed-rate notes. Unless we specify otherwise in the applicable supplement, each fixed-rate note will bear interest from its original issue date or from the most recent date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a fixed-rate note at the fixed annual rate stated in the applicable supplement, until the principal is paid or made available for payment or the note is converted or exchanged.

Unless we specify otherwise in the applicable supplement, we will pay interest on any fixed-rate note quarterly, semi-annually, or annually, as applicable, in arrears, on the days set forth in the applicable supplement (each such day being an interest payment date for a fixed-rate note) and at maturity. Each interest payment due on an interest payment date or the maturity date will include interest accrued from and including the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the original issue date, to but excluding the next interest payment date or the maturity date, as the case may be. Unless we specify otherwise in the applicable supplement, interest on fixed-rate notes will be computed and paid on the basis of a 360-day year consisting of twelve 30-day months, which we may refer to as the 30/360 day count convention. We will make payments on fixed-rate notes as described below under the heading Payment of Principal, Interest, and Other Amounts Due.

*Amortizing Notes.* We also may issue amortizing notes, which are fixed-rate notes for which combined principal and interest payments are made in installments over the life of the debt security. Payments on amortizing notes are applied first to interest due and then to the reduction of the unpaid principal amount. The supplement for an amortizing note will include a table setting forth repayment information.

**Floating-Rate Notes**

*General.* We may issue debt securities that will bear interest at a floating rate of interest determined by reference to one or more interest rate bases, or by reference to one or more interest

**Table of Contents**

rate formulae, referred to as the base rate. We refer to these debt securities as floating-rate notes. The base rate may be one or more of the following:

the federal funds rate, in which case the debt security will be a federal funds rate note ;

the London interbank offered rate, in which case the debt security will be a LIBOR note ;

the euro interbank offered rate, in which case the debt security will be a EURIBOR note ;

the prime rate, in which case the debt security will be a prime rate note ;

the treasury rate, in which case the debt security will be a treasury rate note ; or

any other interest rate formula as may be specified in the applicable supplement.

The interest rate for a floating-rate note will be determined by reference to:

the specified base rate based on the index maturity;

plus or minus the spread, if any; and/or

multiplied by the spread multiplier, if any.

For any floating-rate note, the index maturity is the period to maturity of the instrument for which the interest rate basis is calculated and will be specified in the applicable supplement. The spread is the number of basis points we specify on the floating-rate note to be added to or subtracted from the base rate. The spread multiplier is the percentage we may specify on the floating-rate note by which the base rate is multiplied in order to calculate the applicable interest rate.

A floating-rate note also may be subject to:

a maximum interest rate limit, or ceiling, on the interest that may accrue during any interest period;

a minimum interest rate limit, or floor, on the interest that may accrue during any interest period; or

both.

In addition, the interest rate on a floating-rate note may not be higher than the maximum rate permitted by New York law, as that rate may be modified by United States law of general application. Under current New York law, the maximum rate of interest, subject to some exceptions, for any loan in an amount less than \$250,000 is 16% and for any loan in the amount of \$250,000 or more but less than \$2,500,000 is 25% per annum on a simple interest basis. These limits do not apply to loans of \$2,500,000 or more.

Unless we specify otherwise in the applicable supplement, each floating-rate note will bear interest from its original issue date or from the most recent date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a floating-rate note at the annual rate determined according to the interest rate formula stated in the applicable supplement, until the principal is paid or made available for payment. Unless we specify otherwise

---

**Table of Contents**

in the applicable supplement, we will pay interest on any floating-rate note monthly, quarterly, semi-annually, or annually, as applicable, in arrears, on the days set forth in the applicable supplement (each such day being an interest payment date for a floating-rate note) and at maturity. Unless we specify otherwise in the applicable supplement, each interest payment due on an interest payment date or the maturity date will include interest accrued from and including the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the original issue date, to but excluding the next interest payment date or the maturity date, as the case may be (each such period, an interest period). Interest payment dates and interest periods may be adjusted in accordance with the business day convention (as described below under Payment of Principal, Interest, and Other Amounts Due Business Day Conventions) specified in the applicable supplement. We will make payments on floating-rate notes as described below under the heading Payment of Principal, Interest, and Other Amounts Due.

*How Interest Is Reset.* The interest rate in effect from the date of issue to the first interest reset date for a floating-rate note will be the initial interest rate determined as described in the applicable supplement. The interest rate of each floating-rate note may be reset daily, weekly, monthly, quarterly, semi-annually, or annually, as we specify in the applicable supplement. We refer to each date on which the interest rate for a floating-rate note will reset as an interest reset date.

The interest determination date for any interest reset date is the day the calculation agent will refer to when determining the new interest rate at which a floating rate will reset. Unless we specify otherwise in the applicable supplement, the interest determination date for an interest reset date will be:

for a federal funds rate note or a prime rate note, the business day immediately preceding the interest reset date;

for a LIBOR note, the second London Banking Day (as defined below) preceding the interest reset date unless the index currency is pounds sterling, in which case the interest determination date will be the interest reset date;

for a EURIBOR note, the second TARGET Settlement Date (as defined below) preceding the interest reset date;

for a treasury rate note, the day of the week in which the interest reset date falls on which Treasury bills (as described below) of the applicable index maturity would normally be auctioned; and

for a floating-rate note with two or more base rates, the interest determination date will be the most recent business day that is at least two business days prior to the applicable interest reset date on which each applicable base rate is determinable.

Treasury bills usually are sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction usually is held on the following Tuesday, except that the auction may be held on the preceding Friday. If, as a result of a legal holiday, an auction is held on the preceding Friday, that preceding Friday will be the interest determination date pertaining to the interest reset date occurring in the next succeeding week. The treasury rate will be determined as of that date, and the applicable interest rate will take effect on the applicable interest reset date. If Treasury bills are sold at an auction that falls on a day that is an interest reset date, that interest reset date will be the next following business day unless we specify otherwise in the applicable supplement.

**Table of Contents**

We will specify the interest reset dates in the applicable supplement. Interest reset dates may be adjusted in accordance with the business day convention (as described below under Payment of Principal, Interest, and Other Amounts Due Business Day Conventions ) specified in the applicable supplement.

*Calculation of Interest.* Calculations relating to floating-rate notes will be made by the calculation agent, which will be an institution that we appoint as our agent for this purpose. The calculation agent may be one of our affiliates, including Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Merrill Lynch Commodities, Inc., or Merrill Lynch Capital Services, Inc. and may also be The Bank of New York Mellon Trust Company, N.A. We will identify in the applicable supplement the calculation agent we have appointed for a particular series of debt securities as of its original issue date. We may appoint different calculation agents from time to time after the original issue date of a floating-rate note without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you, the trustee and us.

For each floating-rate note, the calculation agent will determine, on the corresponding calculation or interest determination date, the interest rate for the applicable interest period. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period. Unless we specify otherwise in the applicable supplement, the calculation date for any interest determination date will be the date by which the calculation agent computes the amount of interest owed on a floating-rate note for the related interest period. Unless we specify otherwise in the applicable supplement, the calculation date pertaining to an interest determination date will be the earlier of:

**NOTE 8. SUBSEQUENT EVENTS**

No material events have occurred since March 31, 2015 that require recognition or disclosure in the financial statements.

Table of Contents

ITEM 2 – MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Special Note Regarding Forward-Looking Information

The following discussion and analysis is provided to increase the understanding of, and should be read in conjunction with, our consolidated financial statements and related notes included elsewhere in this report. Historical results and percentage relationships among any amounts in these financial statements are not necessarily indicative of trends in operating results for any future period. This report contains “forward-looking statements.” The statements, which are not historical facts contained in this report, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, and notes to our consolidated financial statements, particularly those that utilize terminology such as “may” “will,” “should,” “expects,” “anticipates,” “estimates,” “believes,” or “plans” or comparable terms are forward-looking statements. Such statements are based on currently available operating, financial and competitive information, and are subject to various risks and uncertainties. Future events and our actual results may differ materially from the results reflected in these forward-looking statements. Factors that might cause such a difference include, but are not limited to, our ability to raise additional funding, our ability to maintain and grow our business, variability of operating results, our ability to maintain and enhance our brand, our development and introduction of new products and services, the successful integration of acquired companies, technologies and assets into our portfolio of software and services, marketing and other business development initiatives, competition in the industry, general government regulation, economic conditions, dependence on key personnel, the ability to attract, hire and retain personnel who possess the technical skills and experience necessary to meet the service requirements of our clients, our ability to protect our intellectual property, the potential liability with respect to actions taken by our existing and past employees, risks associated with international sales, and other risks described herein and in our other filings with the SEC.

All forward-looking statements in this document are based on information currently available to us as of the date of this report, and we assume no obligation to update any forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

Company History

IZEA, Inc. was founded in February 2006 under the name PayPerPost, Inc. and became a public company incorporated in the state of Nevada in May 2011. We are headquartered in Winter Park, Florida with additional field offices in Chicago, Los Angeles, New York, Texas and Michigan.

Company Overview

IZEA, Inc. is a leading company in the social sponsorship space. We believe that we pioneered the concept of a marketplace for sponsorships on the social web in 2006 with the launch of our first platform, PayPerPost.com, and have focused on scaling our offerings ever since. We compensate bloggers, tweeters and other types of social media content creators to share information about companies, products, websites and events within their social media content streams. Advertisers benefit from buzz, traffic, awareness and sales, and creators earn cash compensation in exchange for their posts.

Social sponsorship is when a company compensates a social media publisher or influencer such as a blogger or tweeter ("creators") to share sponsored content with their social network audience. This sponsored content is shared within the body of a content stream, a practice also referred to as “native advertising” and "sponsored content." We

generate our revenue primarily through the sale of sponsorship campaigns to our advertisers. We fulfill these campaigns through our platforms by utilizing our network of creators to complete sponsorship opportunities for our advertisers. We also generate revenue from the posting of targeted display advertising and from various service fees.

On January 30, 2015, we purchased all of the outstanding shares of capital stock of Ebyline, Inc. (“Ebyline”), pursuant to the terms of a Stock Purchase Agreement, dated as of January 27, 2015, by and among IZEA, Ebyline and the stockholders of Ebyline. Based in Los Angeles, California, Ebyline operates an online marketplace that enables publishers to access a network of over 12,000 content creators ranging from writers to illustrators in 73 countries. Over 2,000 fully vetted individuals in the Ebyline network have professional journalism credentials with backgrounds at well-known media outlets. Ebyline’s proprietary workflow is utilized by leading media organizations to obtain the content they need from professional content creators. In addition to publishers, Ebyline is leveraged by brands to produce custom branded content for use on their owned

Table of Contents

and operated sites, as well as third party content marketing and native advertising efforts. After the acquisition, we added content sales as another revenue stream into our operations.

We operate an online marketplace that connects brands with creators at IZEA.com as well as other white label marketplaces. IZEA.com and all white label sites are powered by the IZEA Exchange (“IZEAx”), a platform that handles content workflow, creator search and targeting, bidding, analytics and payment processing. IZEAx is designed to provide a unified ecosystem that enables the creation of multiple types of content including blog posts, status updates, videos and photos through a wide variety of social channels including blogs, Twitter, Facebook, Instagram and Tumblr, among others. Prior to the launch of IZEAx, we had independent technology platforms including PayPerPost.com, SocialSpark.com and SponsoredTweets.com, all of which were transitioned to the IZEAx system by the end of 2014.

IZEAx takes the existing concepts of product placement and endorsements commonly found in movies, television and radio and applies them to the social web. We democratize the sponsorship process, allowing everyone from college students and stay at home moms to celebrities the opportunity to monetize their content, creativity and influence in social media. We direct bloggers, tweeters and other types of social media content creators to share information about companies, products, websites and events within their social media content streams. Advertisers benefit from buzz, traffic, awareness and sales, and creators earn cash compensation in exchange for their posts.

#### Results of Operations for the Three Months Ended March 31, 2015 Compared to the Three Months Ended March 31, 2014

	(Unaudited) Three Months Ended				
	March 31, 2015	March 31, 2014	\$ Change	% Change	
Revenue	\$4,135,494	\$1,957,040	\$2,178,454	111.3	%
Cost of sales	2,441,491	649,533	1,791,958	275.9	%
Gross profit	1,694,003	1,307,507	386,496	29.6	%
Operating expenses:					
General and administrative	1,860,514	1,092,221	768,293	70.3	%
Sales and marketing	1,581,487	912,786	668,701	73.3	%
Total operating expenses	3,442,001	2,005,007	1,436,994	71.7	%
Loss from operations	(1,747,998)	(697,500)	(1,050,498)	(150.6)	)%
Other income (expense):					
Interest expense	(18,770)	(9,017)	(9,753)	108.2	%
Change in fair value of derivatives, net	(2,505,951)	135,601	(2,641,552)	(1,948.0)	)%
Other income (expense), net	1,807	1,605	202	12.6	%
Total other income (expense)	(2,522,914)	128,189	(2,651,103)	2,068.1	%
Net loss	\$(4,270,912)	\$(569,311)	\$(3,701,601)	(650.2)	)%

#### Non-GAAP Financial Measures

To supplement our consolidated financial statements presented in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”), we consider certain financial measures that are not prepared in accordance with U.S. GAAP, including Operating EBITDA. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP. These non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

We believe that Operating EBITDA provides useful information to investors as it excludes transactions not related to the core cash operating business activities including non-cash transactions. We believe that excluding these transactions allows investors to meaningfully trend and analyze the performance of our core cash operations. All companies do not calculate EBITDA in the same manner, and Operating EBITDA as presented by IZEA may not be comparable to EBITDA presented by other companies. IZEA defines Operating EBITDA as earnings or loss before interest, taxes, depreciation and amortization, non-cash stock related compensation, gain or loss on asset disposals or impairment and all other income and expense items such as loss on exchanges and changes in fair value of derivatives, if applicable.

Table of Contents

Reconciliation of Net Loss to Operating EBITDA:	(Unaudited)	
	Three Months Ended	
	March 31, 2015	March 31, 2014
Net loss	\$(4,270,912 )	\$(569,311 )
Non-cash stock-based compensation	142,331	115,338
Non-cash stock issued for payment of services	35,050	58,360
Change in the fair value of derivatives	2,505,951	(135,601 )
Interest expense	18,770	9,017
Depreciation & amortization	174,296	17,867
Operating EBITDA	\$(1,394,514 )	\$(504,330 )

## Revenues

We derive revenue from four sources: revenue from an advertiser when it pays for a social media publisher or influencer such as a blogger or tweeter ("creators") to share sponsored content with their social network audience ("Sponsored Revenue"), revenue when a publisher or company purchases custom branded content for use on its owned and operated sites, as well as third party content marketing and native advertising efforts ("Content Revenue"), revenue from the posting of targeted display advertising ("Media Revenue") and revenue derived from various service and license fees charged to users of our platforms ("Service Fee Revenue").

The following table breaks down our revenue, cost of sales and profit margin by revenue stream as of the three months ended March 31, 2015 and 2014:

	Three Months Ended			
	March 31, 2015	March 31, 2015	March 31, 2014	March 31, 2014
Revenue				
Sponsored Revenue	\$2,692,000	65	% \$1,818,000	93
IZEA Media	\$43,000	1	% \$58,000	3
Content Revenue	\$1,365,000	33	% \$—	—
Service Fees & Other	\$35,000	1	% \$81,000	4
Total Revenue	\$4,135,000	100	% \$1,957,000	100
Cost of Sales				
Sponsored Revenue	\$1,186,000	49	% \$600,000	92
IZEA Media	\$22,000	—	% \$50,000	8
Content Revenue	\$1,233,000	51	% \$—	—
Service Fees & Other	\$—	—	% \$—	—
Total Cost of Sales	\$2,441,000	100	% \$650,000	100
Gross Margin & GP%				
Sponsored Revenue	\$1,506,000	56	% \$1,218,000	67
IZEA Media	\$21,000	49	% \$9,000	16
Content Revenue	\$132,000	10	% \$—	—
Service Fees & Other	\$35,000	100	% \$81,000	100
Total Profit	\$1,694,000	41	% \$1,308,000	67

Revenues for the three months ended March 31, 2015 increased by \$2,178,454, or 111.3%, compared to the same period in 2014. The increase was primarily attributable to increases in our Sponsored Revenue of \$874,000 and Content

## Table of Contents

Revenue of \$1,365,000 during three months ended March 31, 2015 compared to the same period in 2014. Our sales mix has changed in the current year due to the acquisition of Ebyline in January 2015. The increase in Sponsored Revenue income was primarily attributable to our larger sales force, concentrated sales efforts toward larger IZEA managed campaigns rather than smaller advertiser self-service campaigns and generating repeat business from existing customers. Content Revenue increased as a result of the Ebyline acquisition in January 2015. Service fees decreased in the three months ended March 31, 2015 due to less fees received from inactive accounts since there are relatively few inactive accounts in IZEAx.

Our net bookings of \$4.3 million for the three months ended March 31, 2015 were approximately 155% higher than the net bookings of \$1.7 million for the three months ended March 31, 2014. Net bookings is a measure of sales orders minus any cancellations or refunds in a given period. Management uses net bookings as a leading indicator of future revenue recognition as revenue is typically recognized within 90 days of booking. We experienced higher bookings as a result of the Ebyline acquisition, new customers, larger IZEA managed campaigns and an increase in repeat clients. These bookings are expected to translate into higher revenue in 2015 as compared to 2014.

### Cost of Sales and Gross Profit

Our cost of sales is comprised primarily of amounts paid to our content creators for fulfilling a customer's request for content or advertising services to push that content through a blog post, tweet, click or action.

Cost of sales for the three months ended March 31, 2015 increased by \$1,791,958, or 275.9%, compared to the same period in 2014. The increase in cost of sales was primarily related to the increase in our sales and higher cost of those sales due to the acquisition of Ebyline in January 2015.

Gross profit for the three months ended March 31, 2015 increased by \$386,496, or 29.6%, compared to the same period in 2014. Our gross profit as a percentage of revenue decreased from 67% for the three months ended March 31, 2014 to 41% for the same period in 2015. The gross profit decrease during the three months ended March 31, 2015 compared to 2014 was primarily attributable to substantially lower profit margins on Content Revenue that was added to our product mix during the three months ended March 31, 2015, as well as increased participation by IZEAx partners.

The acquisition of Ebyline in January 2015 that currently generates Content Revenue at a gross profit of 10% on 33% of our total revenue has a significant affect on our overall gross profit percentage. Additionally, the addition of white label partners to IZEAx translates into lower margins on our Sponsored Revenue. White label partners receive a percentage of each transaction generated by users within their system. As a result, we expect that our total revenue will increase but our margins will decrease to an expected range of 30%-35%.

### Operating Expenses

Operating expenses consist of general and administrative, and sales and marketing expenses. Total operating expenses for the three months ended March 31, 2015 increased by \$1,436,994, or 71.7%, compared to the same period in 2014. The increase was primarily attributable to increased personnel costs, additional overhead from the Ebyline acquisition and an increase in advertising, marketing and public relations efforts in order to improve consumer and investor awareness.

General and administrative expenses consist primarily of administrative and engineering personnel costs, general operating costs, public company costs, including non-cash stock compensation, facilities costs, insurance, depreciation, professional fees, and investor relations costs. General and administrative expenses for the three months ended March 31, 2015 increased by \$768,293, or 70.3%, compared to the same period in 2014. The increase was

primarily attributable to a \$494,000 increase in personnel costs as a result of the increase in the number of our administrative and engineering personnel by nearly 73% since the prior year. Increased personnel costs are expected to continue in 2015 due to the realization of an entire year of salaries, taxes and benefits for the 2014 new hires and planned increases in the total number of engineering personnel. The increase in general and administrative expenses is also attributable a \$156,000 increase in depreciation and amortization expense as a result of the amortization of software development costs for IZEA Exchange (IZEAx) and the Ebyline intangible assets acquired; and a \$61,000 increase in rent for our expanded facilities and additional offices in California.

Sales and marketing expenses consist primarily of costs personnel costs related to those who support sales and marketing efforts, promotional and advertising costs and trade show expenses. Sales and marketing expenses for the three months ended March 31, 2015 increased by \$668,701 or 73.3%, compared to the same period in 2014. The increase was primarily attributable to a \$493,000 increase in personnel costs as a result of a 71% increase in the number of our sales personnel since the prior year and increased commissions paid as a result of the increase in customer bookings. The additional

## Table of Contents

increase was attributable to increased advertising, marketing and public relations efforts in order to improve consumer awareness.

### Other Income (Expense)

Other income (expense) consists primarily of interest expense and the change in the fair value of derivatives carried at fair value.

Interest expense during the three months ended March 31, 2015 increased by \$9,753 compared to the same period in 2014 primarily due to the imputed interest on the acquisition costs payable.

During the current periods and in prior periods, we entered into financing transactions that gave rise to derivative liabilities. These financial instruments are carried at fair value in our financial statements. Changes in the fair value of derivative financial instruments are required to be recorded in other income (expense) in the period of change. We recorded a loss of \$2,505,951 and a gain of \$135,601 resulting from the increase (decrease) in the fair value of certain warrants during the three months ended March 31, 2015 and 2014, respectively. We have no control over the amount of change in the fair value of our derivative instruments as this is a factor based on fluctuating interest rates and stock prices and other market conditions outside of our control. We have 35,910,554 warrants that are required to be fair valued each period. When the price of our stock decreases, it causes the fair value of our warrant liability in our consolidated balance sheets to decrease causing substantial income from the change in fair value in our consolidated statement of operations. Alternatively, when the price of our stock increases, it causes the fair value of our warrant liability to increase causing a substantial loss from the change in fair value.

### Net Loss

Net loss for the three months ended March 31, 2015 was \$4,270,912, which increased from a net loss of \$569,311 for the same period in 2014. The increase in net loss was primarily the result of the increase in operating expenses and the change in fair value of derivative financial instruments as discussed above.

### Liquidity and Capital Resources

Our cash position was \$3,960,219 as of March 31, 2015 as compared to \$6,521,930 as of December 31, 2014, an decrease of \$2,561,711 primarily as a result of the funding of our operating losses and our acquisition of Ebyline, Inc. as described below. We have incurred significant net losses and negative cash flow from operations since our inception which has resulted in a total accumulated deficit of \$27,212,262 as of March 31, 2015.

Cash used for operating activities was \$1,528,112 during the three months ended March 31, 2015 and was primarily a result of our loss from operations during the period of \$1,747,998. Cash used for investing activities was \$1,024,271 during the three months ended March 31, 2015 due primarily to the acquisition of Ebyline, Inc. and increases in computer equipment purchases. Cash used for financing activities was \$9,328 during the three months ended March 31, 2015 and was primarily a result of principal payments on our capital leases of \$14,592.

To date, we have financed our operations through internally generated revenue from operations and the sale of our equity securities.

On January 30, 2015, we purchased all of the outstanding shares of capital stock of Ebyline, Inc. (“Ebyline”), pursuant to the terms of a Stock Purchase Agreement, dated as of January 27, 2015, by and among IZEA, Ebyline and the stockholders of Ebyline. The aggregate consideration payable by us will be an amount in the aggregate of up to

\$8,850,000, including a cash payment at closing of \$1,200,000, a stock issuance six months after the closing valued at \$250,000, up to an additional \$1,900,000 in two equal installments of \$950,000 on the first and second anniversaries of the closing (subject to proportional reduction in the event Ebyline's final 2014 revenue is below \$8,000,000), and up to \$5,500,000 in performance payments based on Ebyline meeting certain revenue targets for each of the three years ending December 31, 2015, 2016 and 2017. Both the \$1,900,000 in annual payments and the \$5,500,000 in performance payments may be made in cash or common stock, at our option. The performance payments will be made only if Ebyline achieves at least 90% of Content-Only Revenue, as defined in the agreement, of \$17,000,000 in 2015, \$27,000,000 in 2016 and \$32,000,000 in 2017. If Ebyline achieves at least 90% but

## Table of Contents

less than 100% of the Content-Only Revenue targets, the performance payments owed of \$1,800,000, \$1,800,000 and \$1,900,000 for each of the three years ending December 31, 2015, 2016 and 2017, respectively, will be subject to adjustment.

On April 13, 2015, we expanded our secured credit facility agreement with Bridge Bank, N.A. of San Jose, California. Pursuant to this agreement, we may submit requests for funding up to 80% of its eligible accounts receivable up to a maximum credit limit of \$5 million. This agreement is secured by our accounts receivable and substantially all of our other assets. The agreement renews annually and requires us to pay an annual facility fee of \$20,000 (0.4% of the credit limit) and an annual due diligence fee of \$1,000. Interest accrues on the advances at the prime plus 2% per annum. The default rate of interest is prime plus 7%. If the agreement is terminated prior to May 1, 2016, we will be required to pay a termination fee of .70% of the credit limit divided by 80%. As of March 31, 2015, we had no advances outstanding under this agreement.

We believe that with the expanded credit line and our current cash position, we have sufficient cash reserves available to cover expenses for the future year.

## Off-Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

## Critical Accounting Policies and Use of Estimates

The preparation of the accompanying financial statements and related disclosures in conformity with U.S. GAAP requires us to make judgments, assumptions and estimates that affect the amounts reported in the accompanying financial statements and the accompanying notes. The preparation of these financial statements requires managements to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. When making these estimates and assumptions, we consider our historical experience, our knowledge of economic and market factors and various other factors that we believe to be reasonable under the circumstances. Actual results could differ from these estimates. The following critical accounting policies are significantly affected by judgments, assumptions and estimates used in the preparation of the financial statements.

Accounts receivable are customer obligations due under normal trade terms. Uncollectibility of accounts receivable is not significant since most customers are bound by contract and are required to fund us for all the costs of an “opportunity,” defined as an order created by an advertiser for a creator to write about the advertiser’s product. If a portion of the account balance is deemed uncollectible, we will either write-off the amount owed or provide a reserve based on the uncollectible portion of the account. Management determines the collectibility of accounts by regularly evaluating individual customer receivables and considering a customer’s financial condition, credit history and current economic conditions. We do not have a reserve for doubtful accounts as of March 31, 2015. We believe that this estimate is reasonable, but there can be no assurance that the estimate will not change as a result of a change in economic conditions or business conditions within the industry, the individual customers or our company. Any adjustments to this account are reflected in the consolidated statements of operations as a general and administrative expense. Bad debt expense was less than 1% of revenue for the three months ended March 31, 2015 and 2014.

Throughout 2013 and the first quarter of 2014, we developed our new web-based advertising exchange platform , IZEAx. This platform will be utilized both internally and externally to facilitate native advertising campaigns on a greater scale. In accordance with ASC 350-40, Internal Use Software and ASC 985-730, Computer Software Research

and Development, research phase costs should be expensed as incurred and development phase costs including direct materials and services, payroll and benefits and interest costs may be capitalized. As a result, we have capitalized \$568,875 in direct materials, payroll and benefit costs to software development costs in the consolidated balance sheet as of March 31, 2015. We estimate the useful life for IZEAx will be 5 years, consistent with the amount of time our legacy platforms were in-service, and are amortizing the software development costs over this period.

We derive revenue from four sources: revenue from an advertiser when it pays for a social media publisher or influencer such as a blogger or tweeter ("creators") to share sponsored content with their social network audience ("Sponsored Revenue"), revenue when a publisher or company purchases custom branded content for use on its owned and operated sites, as well as third party content marketing and native advertising efforts ("Content Revenue"), revenue from the posting of targeted display advertising ("Media Revenue") and revenue derived from various service and license fees charged to users of our platforms ("Service Fee Revenue"). Sponsored revenue is recognized and considered earned after an advertiser's sponsored content is posted through IZEAx and shared through a creator's social network for a requisite period of time. The requisite

Table of Contents

period ranges from 3 days for a tweet to 30 days for a blog, video or other form of content. Management fees related to Sponsored Revenue from advertising campaigns managed by us are recognized ratably over the term of the campaign which may range from a few days to months. Content Revenue is recognized when the content is delivered to and accepted by the customer. Media Revenue is recognized and considered earned when our creators place targeted display advertising in blogs. Service fees charged to customers are primarily related to subscription fees for different levels of service within a platform, licensing fees for white-label use of IZEX, early cash-out fees if a creator wishes to take proceeds earned for services from their account when the account balance is below certain minimum balance thresholds and inactivity fees for dormant accounts. Service fees are recognized immediately when the service is performed or at the time an account becomes dormant or is cashed out. Self-service advertisers must prepay for services by placing a deposit in their account with the Company. The deposits are typically paid by the advertiser via credit card. Advertisers who use us to manage their social advertising campaigns or content requests may prepay for services or request credit terms. Payments received or billings in advance of services are recorded as unearned revenue until earned as described above.

All of our revenue is generated through the rendering of services and is recognized under the general guidelines of SAB Topic 13 A.1 which states that revenue will be recognized when it is realized or realizable and earned. We consider our revenue as generally realized or realizable and earned once (i) persuasive evidence of an arrangement exists, (ii) services have been rendered, (iii) the price to the advertiser or customer is fixed (required to be paid at a set amount that is not subject to refund or adjustment) and determinable, and (iv) collectibility is reasonably assured. We record revenue on the gross amount earned since we generally are the primary obligor in the arrangement, take on credit risk, establish the pricing and determine the service specifications.

Stock-based compensation is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee's requisite service period. We estimate the fair value of each stock option as of the date of grant using the Black-Scholes pricing model. Options typically vest ratably over four years with one-fourth of options vesting one year from the date of grant and the remaining options vesting monthly, in equal increments over the remaining three-year period and generally have five or ten-year contract lives. We estimate the fair value of our common stock using the closing stock price of our common stock as quoted in the OTCQB marketplace on the date of the agreement. We estimate the volatility of our common stock at the date of grant based on the volatility of comparable peer companies that are publicly traded and have had a longer trading history than us. We determine the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. We use the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. We have never paid any cash dividends on our common stock and do not anticipate paying any cash dividends in the foreseeable future. We estimate forfeitures when recognizing compensation expense and this estimate of forfeitures is adjusted over the requisite service period based on the extent to which actual forfeitures differ, or are expected to differ, from such estimates. Changes in estimated forfeitures are recognized through a cumulative catch-up adjustment, which is recognized in the period of change. Changes also impact the amount of unamortized compensation expense to be recognized in future periods.

The following table shows the number of options granted under our May 2011 and August 2011 Equity Incentive Plans and the assumptions used to determine the fair value of those options during the quarterly periods in 2014 and 2015:

## 2011 Equity Incentive Plans - Options Granted

Period Ended	Total Options Granted	Weighted Average Fair Value of Common Stock	Weighted Average Expected Term	Weighted Average Volatility	Weighted Average Risk Free Interest Rate	Weighted Average Fair Value of Options Granted
--------------	--------------------------	---	--------------------------------------	-----------------------------------	---	--

Edgar Filing: BANK OF AMERICA CORP /DE/ - Form 424B3

March 31, 2014	330,000	\$0.48	5 years	43.32%	1.60%	\$0.19
June 30, 2014	1,066,680	\$0.46	5 years	41.38%	1.66%	\$0.18
September 30, 2014	1,992,151	\$0.38	5 years	40.38%	1.74%	\$0.14
December 31, 2014	970,000	\$0.26	9 years	46.76%	2.14%	\$0.15
March 31, 2015	1,868,333	\$0.32	6 years	54.00%	1.50%	\$0.16

There were 13,727,378 total options outstanding with a weighted average exercise price of \$0.44 per share and 5,102,812 exercisable options outstanding with a weighted average exercise price of \$0.56 per share as of March 31, 2015. There is no aggregate intrinsic value on the exercisable, outstanding options as of March 31, 2015 since the weighted average exercise price per share exceeded the market price of \$0.40 of our common stock on such date.

## Table of Contents

We account for derivative instruments in accordance with ASC 815, Derivatives and Hedging, which requires additional disclosures about our objectives and strategies for using derivative instruments, how the derivative instruments and related hedged items are accounted for, and how the derivative instruments and related hedging items affect the financial statements. We do not use derivative instruments to hedge exposures to cash flow, market or foreign currency risk. Terms of convertible debt and equity instruments are reviewed to determine whether or not they contain embedded derivative instruments that are required under ASC 815 to be accounted for separately from the host contract, and recorded on the balance sheet at fair value. The fair value of derivative liabilities, if any, is required to be revalued at each reporting date, with corresponding changes in fair value recorded in current period operating results. Pursuant to ASC 815, an evaluation of specifically identified conditions is made to determine whether the fair value of warrants issued is required to be classified as equity or as a derivative liability.

### Recent Accounting Pronouncements

There are new accounting pronouncements issued by the Financial Accounting Standards Board ("FASB") which are not yet effective. Management does not believe any of these accounting pronouncements will have a material impact on our financial position or operating results.

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (ASU 2014-09), which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than are required under existing U.S. GAAP.

The standard is effective for annual periods beginning after December 15, 2016, and interim periods therein, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). We are currently evaluating the impact of the adoption of ASU 2014-09 on our consolidated financial statements and have not yet determined the method by which we will adopt the standard in 2017.

### ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable to smaller reporting companies.

### ITEM 4 – CONTROLS AND PROCEDURES

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive and financial officer, as appropriate to allow timely decisions regarding required disclosures.

In designing and evaluating the disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Furthermore, controls and procedures could be circumvented by the individual acts of some persons, by collusion or two or more people or by management override of the control. Misstatements due to error or fraud may occur and not be detected on a timely basis.

#### Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this quarterly report on Form 10-Q for the period ended March 31, 2015, an evaluation was performed under the supervision and with the participation of the Company's management including our Chief

Table of Contents

Executive Officer ("CEO") and Principal Financial and Accounting Officer ("PFO") to determine the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2015. Based on this evaluation, our management concluded that our disclosure controls and procedures were effective as of March 31, 2015 to provide reasonable assurance that the information required to be disclosed by us in reports or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to management, including the Company's principal executive and financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is a process designed by, or under the supervision of, our principal executive officer and principal financial officer and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the Company's transactions;
- (ii) provide reasonable assurance that transactions are recorded as necessary for the preparation of our financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures are made only in accordance with authorizations of our management and directors; and
- (iii) provide reasonable assurance regarding prevention or timely detection of any unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect financial statement misstatements. Also, projections of any evaluation of internal control effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

There were no changes in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the quarter ended March 31, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents

PART II - OTHER INFORMATION

ITEM 1 – LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. Litigation is, however, subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. Other than as described below, we are currently not aware of any legal proceedings or claims that we believe would or could have, individually or in the aggregate, a material adverse effect on us.

On October 17, 2012, Blue Calypso, Inc. filed a complaint against us in the U.S. District Court for the Eastern District of Texas. Blue Calypso's complaint alleges that we infringe their patents related to peer-to-peer advertising between mobile communication devices and seeks unspecified damages. On July 19, 2013, Blue Calypso's case against us was consolidated, along with patent infringement cases against Yelp, Inc. and Foursquare Labs, Inc., into Blue Calypso, Inc. v. Groupon, Inc. for all pretrial purposes, including discovery and claim construction.

On December 16, 2013, the Patent Trial and Appeal Board's (PTAB) instituted a Covered Business Method Review (CBMR) for three of the five patents Blue Calypso asserts in its case against IZEA. In its decisions granting the CBMRs, the PTAB explained that several of Blue Calypso's asserted patents are likely invalid. In particular, the PTAB found it more likely than not that each of these three patents was invalid based on two independent grounds of anticipation, and one ground of obviousness. Additionally, the PTAB preliminarily found it more likely than not that many of the claims of one of Blue Calypso's patents were invalid due to a lack of written description. On January 16, 2014, the court granted a joint motion to stay Blue Calypso's patent infringement case until the PTAB's review of Blue Calypso's asserted patents is complete. On January 17, 2014, the PTAB expanded its review to all five of Blue Calypso's assert patents.

On December 16, 2014, the PTAB issued its Final Decisions concerning the five patents-in-suit. The Final Decisions eliminated the vast majority of claims asserted by Blue Calypso. While some claims did survive the PTAB's Final Decisions, those claims are potentially invalid in view of factual findings made by the PTAB. The PTAB decisions are now on appeal before the United States Court of Appeals for the Federal Circuit. The potential outcomes of these appeals ranges from invalidation of all of Blue Calypso's asserted claims to complete reversal of the PTAB's Final Decisions. On April 1, 2015, the district court lifted the stay and set a trial date for December 14, 2015. The district court has also set a claim construction hearing for June 29, 2015. The parties are now exchanging discovery and preparing for claim construction.

At this stage, we do not have an estimate of the likelihood or the amount of any potential exposure to us. We believe that there is no merit to Blue Calypso's suit and continue to vigorously defend ourselves against Blue Calypso's allegations.

ITEM 1A – RISK FACTORS

In addition to the information set forth at the beginning of Management's Discussion and Analysis entitled "Special Note Regarding Forward-Looking Information", investors should consider that there are numerous and varied risks, known and unknown, that may prevent us from achieving our goals. If any of these risks actually occur, our business, financial condition or results of operation may be materially and adversely affected. In such case, the trading price of our common stock could decline and investors could lose all or part of their investment.

Risks Related to our Business and Industry

We have a history of losses, expect future losses and cannot assure you that we will achieve profitability or obtain the financing necessary for future growth.

We have incurred significant net losses and negative cash flow from operations since our inception which has resulted in a total accumulated deficit of \$27,212,262 as of March 31, 2015. Although our revenue has increased since inception, we have not achieved profitability and cannot be certain that we will be able to sustain these growth rates or realize sufficient revenue to achieve profitability. If we achieve profitability, we may not be able to sustain it.

We (and others) are currently defending a patent infringement claim related to peer-to-peer advertising between mobile communication devices seeking unspecified damages, which may materially impact our business.

30

---

## Table of Contents

On October 17, 2012, Blue Calypso, Inc. filed a complaint against us in the U.S. District Court for the Eastern District of Texas. Blue Calypso's complaint alleges that we infringe on their patents related to peer-to-peer advertising between mobile communication devices and seeks unspecified damages. On July 19, 2013, Blue Calypso's case against us was consolidated, along with patent infringement cases against Yelp, Inc. and Foursquare Labs, Inc., into Blue Calypso, Inc. v. Groupon, Inc. for all pretrial purposes, including discovery and claim construction.

On December 16, 2013, the Patent Trial and Appeal Board's (PTAB) instituted a Covered Business Method Review (CBMR) for three of the five patents Blue Calypso asserts in its case against IZEA. In its decisions granting the CBMRs, the PTAB explained that several of Blue Calypso's asserted patents are likely invalid. In particular, the PTAB found it more likely than not that each of these three patents was invalid based on two independent grounds of anticipation, and one ground of obviousness. Additionally, the PTAB preliminarily found it more likely than not that many of the claims of one of Blue Calypso's patents were invalid due to a lack of written description. On January 17, 2014, the PTAB expanded its review to all five of Blue Calypso's assert patents. The PTAB's final decision regarding the asserted patents is expected by the end of this year. On January 16, 2014, the court granted a joint motion to stay Blue Calypso's patent infringement case until the PTAB's review of Blue Calypso's asserted patents is complete. On January 17, 2014, the PTAB expanded its review to all five of Blue Calypso's assert patents.

On December 16, 2014, the PTAB issued its Final Decisions concerning the five patents-in-suit. The Final Decisions eliminated the vast majority of claims asserted by Blue Calypso. While some claims did survive the PTAB's Final Decisions, those claims are potentially invalid in view of factual findings made by the PTAB. The PTAB decisions are now on appeal before the United States Court of Appeals for the Federal Circuit. The potential outcomes of these appeals ranges from invalidation of all of Blue Calypso's asserted claims to complete reversal of the PTAB's Final Decisions. On April 1, 2015, the district court lifted the stay and set a trial date for December 14, 2015. The district court has also set a claim construction hearing for June 29, 2015. The parties are now exchanging discovery and preparing for claim construction.

At this stage, we do not have an estimate of the likelihood or the amount of any potential exposure to us. Although we believe that there is no merit to Blue Calypso's suit, there can be no assurance that we will prevail in the suit. In the event that a favorable outcome for us is not obtained, we could potentially be limited in certain ways in the use of our current social sponsorship platforms. Even if the litigation is resolved in our favor, it is possible that the litigation will be protracted, resulting in substantial legal costs to defend against the action and the diversion of management's attention and other resources of our company. In either event, the continuation of this action could have a material adverse effect on our business, financial condition and results of operations.

Exercise of stock options, warrants and other securities will dilute your percentage of ownership and could cause our stock price to fall.

As of May 11, 2015, we have 57,697,666 shares of common stock issued, outstanding stock options to purchase 14,584,480 shares of common stock at an average price of \$0.43 per share, outstanding warrants to purchase 54,042,749 shares of common stock at an average price of \$0.41 per share, and 1,788,016 shares of vested, yet unissued, shares of restricted common stock. Additionally, we have reserved shares to issue stock options, restricted stock or other awards to purchase or receive up to 5,500,536 shares of common stock under our May 2011 Equity Incentive Plan and 1,492,397 shares of common stock under our 2014 Employee Stock Purchase Plan. In the future, we may grant additional stock options, warrants and convertible securities. The exercise, conversion or exchange of stock options, warrants or convertible securities will dilute the percentage ownership of our other stockholders. Sales of a substantial number of shares of our common stock could cause the price of our common stock to fall and could impair our ability to raise capital by selling additional securities.

There may be substantial issuances of our common stock to satisfy our obligations under the Stock Purchase Agreement for our acquisition of Ebyline, Inc.

On January 30, 2015, we purchased all of the outstanding shares of capital stock of Ebyline pursuant to the terms of a Stock Purchase Agreement, dated as of January 27, 2015, by and among IZEA, Ebyline and the stockholders of Ebyline. The aggregate consideration payable by us will be an amount in the aggregate of up to \$8,850,000, including a cash payment made at closing of \$1,200,000, a stock issuance six months after the closing valued at \$250,000, up to an additional \$1,900,000 in two equal installments of \$950,000 on the first and second anniversaries of the closing (subject to reduction) and up to \$5,500,000 in performance payments paid over three years based on Ebyline meeting certain revenue targets for each of the three years ending December 31, 2015, 2016 and 2017. Both the \$1,900,000 in annual payments and the \$5,500,000 in performance payments may be made in cash or common stock, at our option.

Table of Contents

If Ebyline achieves all of the revenue targets, we do not have enough cash reserves to pay for the complete purchase price in cash. As such, we may issue shares of our common stock to satisfy the future payment obligations or raise funds through additional financing opportunities. Stock payments are to be based on the 30-day volume-weighted average closing price prior to the payment date. Additional financing transactions may include the issuance of equity or convertible debt securities, obtaining credit facilities or other financing alternatives. The issuance of a substantial number of shares of common stock to raise additional capital to satisfy the future payment obligations could significantly dilute the percentage ownership interests of and may be at prices more beneficial than those paid by our existing common stockholders.

There may be substantial sales of our common stock under the prospectus relating to our 2013 and 2014 Private Placements, which could cause our stock price to drop.

We agreed with the investors in our 2013 and 2014 Private Placements to file a shelf registration statement with the SEC with respect to the resale of all of the shares of our common stock, as well as shares of common stock issuable upon the exercise of warrants, purchased by investors. We filed two post-effective registration statements on Form S-1 on April 30, 2014 and they were declared effective on May 4, 2015.

The first post-effective registration statement (File No. 333-191743) and (File No. 333-197482) included 27,565,517 shares of our common stock that may be offered by certain stockholders who participated in our private placement and loan consideration from August through September 2013 or who obtained restricted shares of common stock for services. The number of shares the selling stockholders may sell consists of 9,141,545 shares of common stock that are currently issued and outstanding and 18,423,972 shares of common stock that they may receive if they exercise their warrants.

The second registration statement (File No. 333-195081) included a total of 68,571,456 shares of our common stock that may be offered by certain stockholders who participated in our 2014 private placement. The number of shares the selling stockholders may sell consists of 34,285,728 shares of common stock that are currently issued and outstanding and 34,285,728 shares of common stock that they may receive if they exercise their warrants. There are currently no agreements or understandings in place with these selling stockholders to restrict their sale of those shares. Sales of a substantial number of shares of our common stock by the selling stockholders over a short period of time could cause the market price of our common stock to drop and could impair our ability to raise capital in the future by selling additional securities.

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 3 – DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4 – MINE SAFETY DISCLOSURES

Not applicable

ITEM 5 - OTHER INFORMATION

None

32

---

Table of Contents

EXHIBITS

- 3.1 Articles of Incorporation (Incorporated by reference to the Company’s registration statement on Form S-1 filed with the SEC on July 2, 2010).
- 3.2 Certificate of Amendment to the Articles of Incorporation (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on February 15, 2013).
- 3.3 Certificate of Amendment to the Articles of Incorporation (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on May 16, 2011).
- 3.4 Bylaws (Incorporated by reference to the Company’s registration statement on Form S-1 filed with the SEC on July 2, 2010).
- 3.5 Certificate of Designation (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on May 27, 2011).
- 3.6 Amendment to Certificate of Designation (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on May 27, 2011).
- 3.7 Certificate of Change of IZEA, Inc., filed with the Nevada Secretary of State on July 30, 2012 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on August 1, 2012).
- 3.8 Certificate of Amendment to Articles of Incorporation filed with the Secretary of State of the State of Nevada on April 17, 2014 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on April 18, 2014).
- 3.9 Certificate of Withdrawal of Certificate of Designation filed with the Secretary of State of the State of Nevada effective January 23, 2015 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on January 29, 2015).
- 4.1 Form of Warrant to Purchase Common Stock of IZEA, Inc. issued to Investors in the 2013 Private Placement (Incorporated by reference to Form 8-K, filed with the SEC on August 21, 2013).
- 4.2 Form of Warrant to Purchase Common Stock of IZEA, Inc. issued to Investors in the 2014 Private Placement (Incorporated by reference to Form 8-K, filed with the SEC on February 24, 2014).
- 10.1 Amended 2011 Equity Incentive Plan as of February 6, 2013 (Incorporated by reference to Form 10-K, filed with the SEC on March 29, 2013).
- 10.2 Financing Agreement between the Company and Bridge Bank, dated March 1, 2013 (Incorporated by reference to Form 10-K, filed with the SEC on March 29, 2013).
- 10.3 Form of Securities Purchase Agreement executed by IZEA, Inc. and Investors in the 2013 Private Placement (Incorporated by reference to Form 8-K, filed with the SEC on August 21, 2013).
- 10.4 Form of Securities Purchase Agreement, dated as of February 12, 2014, by and among IZEA, Inc. and the Investors (Incorporated by reference to Form 8-K, filed with the SEC on February 19, 2014).
- 10.5 Form of Registration Rights Agreement, dated as of February 21, 2014, among IZEA, Inc. and each of the Investors (Incorporated by reference to Form 8-K, filed with the SEC on February 24, 2014).
- 10.6 Amended and Restated 2011 Equity Incentive Plan as of April 16, 2014 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on April 18, 2014).
- 10.7 2014 Employee Stock Purchase Plan (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on April 18, 2014).
- 10.8 Employment Agreement between IZEA, Inc. and LeAnn Hitchcock dated August 25, 2014 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on August 25, 2014).
- 10.9 Employment Agreement between IZEA, Inc. and Edward Murphy dated December 26, 2014 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on December 31, 2014).
- 10.10 Employment Agreement between IZEA, Inc. and Ryan Schram dated January 25, 2015 (Incorporated by reference to the Company’s current report on Form 8-K filed with the SEC on January 29, 2015).

- 10.11 Stock Purchase Agreement, dated as of January 27, 2015, by and among IZEA, Inc., Ebyline, Inc. and the Stockholders of Ebyline, Inc. listed on the signature pages thereto (Incorporated by reference to the Company's current report on Form 8-K filed with the SEC on January 29, 2015).
- 10.12 Business Financing Modification Agreement between IZEA, Inc., Ebyline, Inc. and Bridge Bank, NA, dated as of April 13, 2015 (Incorporated by reference to the Company's current report on Form 8-K filed with the SEC on April 14, 2015).
- 101 \*\*\* The following materials from IZEA, Inc.'s Quarterly Report on Form 10-Q for the three months ended March 31, 2015 are formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statement of Stockholders' Equity (Deficit), (iv) the Consolidated Statements of Cash Flow, and (iv) Notes to the Consolidated Financial Statements.

Table of Contents

\*Filed herewith.

In accordance with Item 601 of Regulation S-K, this Exhibit is hereby furnished to the SEC as an accompanying document and is not deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933.

In accordance with Rule 406T of Regulation S-T, the XBRL related information in Exhibit 101 to this Quarterly Report on Form 10-Q shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

IZEA, Inc.  
a Nevada corporation

May 14, 2015

By: /s/ Edward H. Murphy  
Edward H. Murphy  
Chairman, President and Chief Executive Officer  
(Principal Executive Officer)

May 14, 2015

By: /s/ LeAnn C. Hitchcock  
LeAnn C. Hitchcock  
Chief Financial Officer  
(Principal Financial and Accounting Officer)