
PENNSYLVANIA PUBLIC SCHOOL
EMPLOYEES' RETIREMENT SYSTEM,
individually and on behalf of all others
similarly situated,

: CIVIL ACTION NO.
:
: 11-CV-00733-WHP
:
: CLASS ACTION

Plaintiff,

v.

BANK OF AMERICA CORPORATION, et al.,

Defendants.

**NOTICE OF CLASS ACTION, PROPOSED SETTLEMENT, MOTION FOR ATTORNEYS' FEES AND
EXPENSES, AND SETTLEMENT HEARING**

**TO: ALL PERSONS AND ENTITIES WHO ARE MEMBERS OF THE
CLASS AS DEFINED IN SECTION 1 BELOW**

This notice contains important deadlines that may affect your rights.

This is not a solicitation from a lawyer. A Federal Court authorized this Notice.

- Court-appointed Lead Plaintiff, the Pennsylvania Public School Employees' Retirement System ("Lead Plaintiff"¹), has reached a proposed settlement in the amount of \$335,000,000.00 in cash (the "Settlement") on behalf of the Class. The Settlement will resolve all claims against all Defendants and the other Released Defendants (as defined below) in this class action (the "Action").
- The Settlement, if approved by the Court, will: resolve claims in the Action that BoA's investors were allegedly misled about the Company's exposure to demands to repurchase mortgage-backed securities and other mortgage loans that had been sold by BoA and Countrywide Financial Corporation, and about risks to BoA arising from its use of and reliance upon a national electronic database that tracks changes in mortgage servicing rights and beneficial ownership interests in loans secured by residential real estate; provide a cash payment to Class members who timely submit valid claims and are otherwise entitled to such a payment; and release the Released Defendants from liability.
- This Notice explains important rights you may have, including your possible receipt of cash from the Settlement. **Your legal rights will be affected whether or not you act. Please read this Notice carefully.**
- The Court in charge of the Action still has to decide whether to approve the Settlement.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement, as amended, dated March 11, 2016 (the "Stipulation"), which is available on the website for the Action at www.BoASecuritiesSettlement.com.

SUMMARY OF THIS NOTICE

I. Description of the Action and the Class

This Notice relates to a proposed Settlement of claims in a pending securities class action lawsuit brought by investors alleging, among other things, that Defendants (set forth at page 6, note 2, below) violated the federal securities law by allegedly misrepresenting and concealing the magnitude of the Company's potential exposure to demands to repurchase mortgage-backed securities and other mortgage loans that had been sold by BoA and Countrywide Financial Corporation, and about alleged risks to BoA arising from its use of and reliance upon a national electronic database that tracks changes in mortgage servicing rights and beneficial ownership interests in loans secured by residential real estate. The proposed Settlement, if approved by the Court, will settle claims of all Persons (a) who purchased BoA common stock or BoA Common Equivalent Securities during the period from February 27, 2009 through October 19, 2010 (the "Class Period") or (b) who purchased or acquired BoA common stock or BoA Common Equivalent Securities in or traceable to a public offering during the Class Period (the "Class").

II. Statement of the Plaintiffs' Recovery

Subject to Court approval, and as described more fully on page 10 below, Lead Plaintiff, on behalf of the Class, has agreed to settle all claims in the Action in exchange for a cash payment of \$335,000,000.00 (the "Settlement Amount"). The claims that will be resolved by the Settlement include all claims of any Class Members that relate to the holding, ownership, purchase, acquisition, disposition, or sale of, or other transaction in BoA common stock or BoA Common Equivalent Securities during the Class Period, the holding, ownership, purchase, acquisition, disposition, or sale of, or other transaction in BoA common stock or BoA Common Equivalent Securities in or traceable to an offering during the Class Period, or any claims that were or could have been asserted in the Action or that relate to the matters alleged in any complaint filed in the Action. The Settlement Amount will be deposited into an interest-bearing escrow account (the "Settlement Fund"). Based on the Plan of Allocation being proposed, the estimated average recovery for BoA common stock in the Class is \$0.043 per share. Class Members should note, however, that the foregoing average recovery is only an estimate. A Class Member's actual recovery will depend on several things, including: (1) the number of claims filed; (2) when, in what quantities and for how much Class Members purchased and/or acquired BoA common stock or Common Equivalent Securities during the Class Period; and (3) whether Class Members sold BoA common stock or Common Equivalent Securities and, if so, when and for how much. The Net Settlement Fund (the Settlement Fund less taxes, notice and administration costs, attorneys' fees and other litigation expenses awarded to Lead Counsel) will be distributed in accordance with a plan of allocation (the "Plan of Allocation") as approved by the Court and will determine how the Net Settlement Fund shall be allocated to the members of the Class. The proposed Plan of Allocation is included in this Notice (see pages 15-21 below).

III. Statement of Potential Outcome of the Case

The Parties do not agree on whether Lead Plaintiff would have prevailed on its claims against Defendants. Nor do they agree on the average amount of damages per share that might be recoverable if Lead Plaintiff were to prevail on the claims of the Class. Defendants deny that they have any liability whatsoever for any of the claims that Lead Plaintiff alleged in the Complaint and that the prices of any BoA common stock or BoA Common Equivalent Securities were damaged as a result of the purported misstatements and omissions alleged by Lead Plaintiff. The issues on which the Parties disagree include: (i) whether any of the Defendants made any materially false or misleading statements or omissions during the Class Period; (ii) whether Defendants made any materially false or misleading statements or omissions with knowledge or reckless disregard of the truth; (iii) whether the claims against Defendants are subject to various defenses that would preclude any liability that might otherwise exist; (iv) the amounts, if any, by which the prices of BoA common stock or BoA Common Equivalent Securities were artificially inflated as a result of the alleged misstatements and omissions by Defendants; (v) the amount, if any, by which the prices of BoA common stock or BoA Common Equivalent Securities (which automatically converted to BoA common stock on February 24, 2010) declined as a result of any alleged corrective disclosure or the materialization of any alleged concealed risk; and (vi) the amount, if any, of any alleged damages suffered by purchasers of BoA common stock or BoA Common Equivalent Securities during the Class Period.

IV. Statement of Attorneys' Fees and Litigation Expenses Sought

Lead Counsel (as defined in section V. below) will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 15.5% of the Settlement Fund, plus interest from the date of funding at the same rate as earned by the Settlement Fund. In addition, Lead Counsel also will apply for the reimbursement of litigation expenses paid or incurred in connection with the prosecution and resolution of the Action, in an amount not to exceed \$2,135,000, plus interest from the date of funding at the same rate as earned by the Settlement Fund, which includes reimbursement to Lead Plaintiff for its reasonable costs and expenses (including lost wages) directly relating to its representation of the Class, pursuant to the Private Securities Litigation Reform Act. If the Court approves the attorneys' fees and expense application in full, the average amount of fees and expenses will be approximately \$0.007 per damaged share of BoA common stock or BoA Common Equivalent Securities.

V. Identification of Attorneys' Representatives

Lead Plaintiff and the Class are being represented by the Court-appointed Lead Counsel: Mark R. Rosen, Jeffrey A. Barrack and Jeffrey B. Gittleman, of Barrack Rodos & Bacine, 3300 Two Commerce Square, 2001 Market Street, Philadelphia, PA 19103, Tel: (215) 963-0600, www.barrack.com.

VI. Reasons for the Settlement

For Lead Plaintiff, the principal reason for the Settlement is the immediate benefit of a substantial cash recovery for the Class. This benefit must be compared to the risk that no recovery or a smaller recovery might be achieved after the Court decides any summary judgment motions or other pretrial motions and after a contested trial and likely appeals are resolved, possibly years into the future. For Defendants, who deny all allegations of liability and deny that any Class Members were damaged, the principal reason for the Settlement is to eliminate the burden and expense of further litigation.

[END OF COVER PAGE]

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
ACTIONS YOU MAY PURSUE	EFFECT OF TAKING THIS ACTION
SUBMIT A PROOF OF CLAIM FORM POSTMARKED NO LATER THAN NOVEMBER 14, 2016, OR FILED ELECTRONICALLY NO LATER THAN NOVEMBER 14, 2016.	This is the only way to get a payment from the Settlement.
EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION POSTMARKED NO LATER THAN SEPTEMBER 13, 2016.	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Settling Defendants concerning the claims that were, or could have been, asserted in this case. It is also the <i>only</i> way for Class Members to remove themselves from the Class. If you are considering excluding yourself from the Class, please note that there is a risk that any claims asserted against the Settling Defendants outside this Action may no longer be timely and would be time-barred. See page 12 below.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION POSTMARKED NO LATER THAN SEPTEMBER 13, 2016.	Write to the Court and explain why you do not like the Settlement, the proposed Plan of Allocation, and/or the request for attorneys' fees and reimbursement of expenses. In order to object, you must remain a member of the Class, may not exclude yourself, and you will be bound by the Court's determinations.
GO TO THE HEARING ON NOVEMBER 29, 2016 AT 2:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS POSTMARKED NO LATER THAN SEPTEMBER 13, 2016.	Ask to speak in Court about the fairness of the Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and reimbursement of expenses.
DO NOTHING	Get no payment. Remain a Class Member. Give up your rights.

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BASIC INFORMATION

1. **Why did I get this notice package?**

You or someone in your family may have purchased or otherwise acquired BoA common stock or BoA Common Equivalent Securities that traded on a U.S. public exchange during the Class Period.

The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If approved, the Settlement will end all of the Class's claims against the Defendants. The Court will consider whether to approve the Settlement at a Settlement Hearing on November 29, 2016 at 2:00 p.m. If the Court approves the Settlement, and after any appeals are resolved and the Settlement administration is completed, the claims administrator appointed by the Court will make the payments that the Settlement allows.

The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *Pennsylvania Public School Employees' Retirement System v. Bank of America Corporation, et al.*, No. 11-CV-00733-WHP. This case is assigned to United States District Judge William H. Pauley, III. The person who is suing is called "Plaintiff" or "Lead Plaintiff" and the company and the persons being sued are called "Defendants."

2. **What is this lawsuit about and what has happened so far?**

Lead Plaintiff's claims in the Action are stated in the Consolidated Class Action Complaint dated September 23, 2011 (the "Complaint") and in the Amended Consolidated Class Action Complaint dated August 13, 2012 (the "Amended Complaint"). Lead Plaintiff alleged that some or all of the Defendants² violated Sections 11, 12(a)(2), and 15 of the Securities Act of 1933 (the "Securities Act") and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"). Lead Plaintiff alleged that Defendants violated the federal securities law by allegedly misrepresenting and concealing the magnitude of the Company's potential exposure to demands to repurchase mortgage-backed securities and other mortgage loans that had been sold by BoA and Countrywide Financial Corporation, and alleged risks to BoA arising from its use of and reliance upon a national electronic database that tracks changes in mortgage servicing rights and beneficial ownership interests in loans secured by residential real estate.

On January 11, 2012, Defendants moved to dismiss the Complaint. On February 15, 2012, Lead Plaintiff filed its opposition papers and, on March 2, 2012, Defendants filed reply papers. On March 28, 2012, the Court entertained oral argument on Defendants' motions, and on July 11, 2012, the Court issued a Memorandum and Order granting in part and denying in part Defendants' motions to dismiss. The Court's July 11, 2012 Order granted the motion to dismiss, with prejudice, on all claims under the Securities Act, and granted, without prejudice, the Executive Defendants' motions to dismiss the claims under Section 10(b) of the Exchange Act and SEC Rule 10b-5 ("Exchange Act claims"), while denying BoA's motion to dismiss the Exchange Act claims. As a result of the Court's July 11, 2012 ruling, all claims against Director Defendants, Underwriter Defendants and PwC were dismissed with prejudice, Exchange Act claims against Executive Defendants were dismissed without prejudice, and the Securities Act claims

² Defendants are: Bank of America Corporation; Kenneth D Lewis, Brian T. Moynihan, Charles H. Noski, Joe L. Price and Neil Cotty ("Executive Defendants"); William P. Boardman, Frank Paul Bramble, Sr., Virgis William Colbert, Charles K. Gifford, Jr., Charles Otis Holliday, Jr., Monica C. Lozano, Thomas John May, Thomas Michael Ryan, Robert W. Scully ("Director Defendants"); Cantor Fitzgerald & Co., CCB International Capital Ltd., Cowen and Company, L.L.C., Daiwa Capital Markets America Inc. (formerly Daiwa Securities America Inc.), Deutsche Bank Securities Inc., Gleacher & Company Securities, Inc. (formerly Broadpoint Capital, Inc.), Goldman, Sachs & Co., ICBC International Securities Ltd., Keefe, Bruyette & Woods, Inc., KeyBanc Capital Markets Inc., Macquarie Capital (USA) Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mizuho Securities USA Inc., Morgan Stanley & Co. LLC (formerly Morgan Stanley & Co., Incorporated), National Australia Bank Limited, RBS Securities Inc., SG Americas Securities, LLC, Samsung Securities Co., Ltd., Samuel A. Ramirez & Co., Inc., Sanford C. Bernstein & Co., LLC, Santander Investment Securities Inc., Southwest Securities Inc., Stifel, Nicolaus & Company, Incorporated, SunTrust Robinson Humphrey, Inc., UBS Securities LLC, UniCredit Capital Markets, Inc., and Wells Fargo Securities, LLC ("Underwriter Defendants"); and PricewaterhouseCoopers LLP ("PwC"). Collectively, BoA, Executive Defendants, Director Defendants, PwC and Underwriter Defendants are referred to as "Defendants."

against Executive Defendants were dismissed with prejudice, thereby leaving only BoA as the remaining defendant in the Action.

On July 25, 2012, BoA moved for reconsideration of the Court's July 11, 2012 Order to the extent it sustained Lead Plaintiff's Exchange Act claims or, in the alternative, to certify the Court's decision for interlocutory review, pursuant to 28 U.S.C. § 1292(b). On August 13, 2012, Lead Plaintiff filed its opposition memorandum, and also filed its Amended Complaint. On August 23, 2012, BoA filed its reply memorandum in support of its motion for reconsideration or certification for interlocutory appeal. On August 28, 2012, the Court denied BoA's motion for reconsideration or for certification for interlocutory review.

On November 5, 2012, Executive Defendants moved to dismiss the Amended Complaint. On November 21, 2012, BoA filed its answer to the Amended Complaint. On December 12, 2012, Lead Plaintiff filed its opposition memorandum to the Executive Defendants' motion to dismiss the Amended Complaint. On December 21, 2012, the Executive Defendants filed their reply memorandum in support of their motion to dismiss the Amended Complaint. Following oral argument, on April 17, 2013, the Court denied in part the Executive Defendants' motion to dismiss the Amended Complaint.

On May 1, 2013, Defendant Brian T. Moynihan moved for partial reconsideration of the Court's Order denying the Executive Defendants' motion to dismiss the Amended Complaint. On May 20, 2013, Lead Plaintiff filed its opposition memorandum to Mr. Moynihan's motion for reconsideration. On May 31, 2013, Mr. Moynihan filed his reply memorandum in support of his motion for reconsideration. On June 12, 2013, the Court denied Mr. Moynihan's motion for reconsideration.

On November 21, 2012 and June 17, 2013, BoA and the Executive Defendants filed their respective answers to the Amended Complaint, denying the claims and asserting a number of affirmative defenses.

Fact discovery in the Action commenced in May, 2013. The Parties conducted more than 30 fact depositions and produced more than 8 million pages of documents.

On November 15, 2013, Lead Plaintiff moved for certification of a class of all persons or entities who purchased or otherwise acquired either BoA's common stock or Common Equivalent Securities during the Class Period of February 27, 2009 through October 19, 2010, and who suffered damages as a result (the "Class"). Excluded from the Class are: (i) Defendants³; (ii) members of the immediate family of each of the Executive Defendants; (iii) any person who was an executive officer and/or director of BoA during the Class Period; (iv) any entity that served as an underwriter for BoA's offering of Common Equivalent Securities; (v) any person, firm, trust, corporation, officer, director, or any other individual or entity in which any Defendant has a controlling interest or that is affiliated with any of the Defendants; and (vi) the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party. For the sake of clarity, Lead Plaintiff and Defendants agree that the exclusions from the Class do not include Investment Vehicles. On February 14, 2014, the Court approved the parties' Stipulation to the certification of the proposed class, pursuant to Federal Rule of Civil Procedure 23(a) and 23(b)(3), certifying the Class sought by PSERS in its motion, certifying PSERS as the Class Representative, and appointing PSERS's counsel, Barrack, Rodos & Bacine, as Lead Counsel under Federal Rule of Civil Procedure 23(g), all subject to the parties' reservation of their rights to move to alter or amend the Court's Order certifying the Class pending final judgment in this action pursuant to Federal Rule of Civil Procedure 23(c)(1)(C).

In April 2014, Lead Plaintiff and BoA agreed to a mediation of the Action before the Honorable Layn R. Phillips, a former federal district court judge in the United States District Court for the Western District of Oklahoma. In advance of the mediation, Lead Plaintiff and BoA made several detailed submissions to Judge Phillips. On October 2, 2014, Judge Phillips conducted a mediation session in New York City attended by representatives of Lead Plaintiff, BoA and their respective counsel. This mediation did not result in an agreement to resolve the Action. Another mediation before Judge Phillips was held on February 27, 2015. In advance of this mediation, Lead Plaintiff and BoA made further written submissions to Judge Phillips. This mediation also did not result in an agreement to resolve the

³ In the Motion for Class Certification the term "Defendants" was defined to consist of BoA and the Executive Defendants.

Action. Another mediation was held before Judge Phillips on August 12, 2015. In advance of this mediation, Lead Plaintiff and BoA made further written submissions to Judge Phillips.

At the conclusion of the mediation session on August 12, 2015, counsel for BoA and Lead Counsel, on behalf of their respective clients, accepted a mediator's proposal from Judge Phillips to settle and release all claims asserted in the Action in return for a cash payment by or on behalf of BoA of \$335,000,000 for the benefit of the Class, subject to the execution of a stipulation and agreement of settlement and related papers, and approval of the proposed settlement by the Court. In Judge Phillips' opinion, "the proposed Settlement is the result of vigorous arm's-length negotiation by all involved Parties. I believe, based on my extensive discussions with the Parties and the information made available to me both before and during the mediation, that the Settlement was negotiated in good faith and that the Settlement is fair and reasonable."

The Settling Parties entered into the Stipulation and Agreement of Settlement, as amended (the "Stipulation") on March 11, 2016. On June 15, 2016, the Court preliminarily approved the Settlement, authorized this Notice to be sent to potential Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

Defendants deny the claims and contentions alleged by Lead Plaintiff in this Action, deny any liability whatsoever, and maintain that they have meritorious defenses to all claims that were raised or could have been raised in the Action.

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case Lead Plaintiff, on behalf of the Class) sue on behalf of people or entities, known as "Class Members," who have similar claims. A class action allows one court to resolve in a single case many similar claims that, if brought separately by individuals, might be so small that they would not be economical to litigate and thus would never be brought. One court resolves the issues for all class members, except for those who exclude themselves, or "opt out," from the Class (see pages 12-13 below).

4. Why is there a settlement?

The Court has not decided the Action in favor of Lead Plaintiff or Defendants, although it did dismiss certain claims in ruling on Defendants' motions to dismiss. The Settlement will end all the claims against Defendants in the Action and avoid the uncertainties and costs of further litigation and any future trial. Assuming the Settlement, as amended, is approved, affected investors may become eligible to receive compensation once the claims made against the Net Settlement Fund are validated, calculated and presented to the Court for payment, rather than after the time it would take to resolve future motions for class certification and summary judgment, conduct additional expert discovery, have a trial and exhaust all appeals.

The Settlement was reached after more than four years of intense litigation. As described above, Lead Plaintiff, through Lead Counsel, conducted an extensive investigation of the claims and underlying events and transactions relating to the Action, including a review of more than 8 million pages of documents produced by the Parties, and taking or defending depositions of more than 30 fact witnesses. Lead Plaintiff and Lead Counsel also participated in protracted and hard-fought arm's-length negotiations and mediations before an experienced mediator prior to entering into the Settlement.

Defendants deny all allegations of liability contained in the Complaint and deny that they are liable to the Class. The Settlement, as amended, is not an admission or concession on the part of Defendants regarding the truth or validity of the allegations, claims, and/or defenses in the Action, or their fault or liability for alleged damages by any member of the Class.

WHO IS IN THE SETTLEMENT

5. How do I know if I am part of the Settlement?

The Court has issued an Order, for the purposes of the Settlement only, that everyone who fits the following description, and is not excluded by definition from the Class (see Question [6] below), is a member of the Class, or a

“Class Member,” unless they take steps to exclude themselves:

All Persons who purchased or otherwise acquired either BoA’s common stock or Common Equivalent Securities during the Class Period of February 27, 2009 through October 19, 2010, and who suffered damages as a result (the “Class”). Excluded from the Class are: (i) Defendants ⁴; (ii) members of the immediate family of each of the Executive Defendants; (iii) any person who was an executive officer and/or director of BoA during the Class Period; (iv) any entity that served as an underwriter for BoA’s offering of Common Equivalent Securities; (v) any person, firm, trust, corporation, officer, director, or any other individual or entity in which any Defendant has a controlling interest or that is affiliated with any of the Defendants; (vi) the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party; and (vii) any Person that would otherwise be a Class Member, but properly excludes himself, herself, or itself by submitting a valid and timely request for exclusion from the Class in accordance with the requirements set forth herein and in the Notice.

For the sake of clarity, Lead Plaintiff and Defendants agree that the exclusions from the Class do not include Investment Vehicles.

Receipt of this Notice does not mean that you are a Class Member. Please check your records or contact your broker to see if you purchased or otherwise acquired BoA common stock or BoA Common Equivalent Securities during the Class Period and suffered a loss as a result of any such purchase or purchases, as described above.

6. Are there exceptions to being included in the Class?

There are some people who are excluded from the Class by definition. Excluded from the Class are: (i) BoA and Executive Defendants; (ii) members of the immediate family of each of the Executive Defendants; (iii) any person who was an executive officer and/or director of BoA during the Class Period; (iv) any entity that served as an underwriter for BoA’s offering of Common Equivalent Securities; (v) any person, firm, trust, corporation, officer, director, or any other individual or entity in which any Defendant has a controlling interest or that is affiliated with any of the Defendants (vi) the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party; and (vii) any Person that would otherwise be a Class Member, but properly excludes himself, herself, or itself by submitting a valid and timely request for exclusion from the Class in accordance with the requirements set forth herein and in the Preliminary Order. **(see pages 12-13 below)**. For the sake of clarity, the exclusions from the Class do not include Investment Vehicles.

You are a Class Member only if you (or your broker on your behalf) directly purchased or otherwise acquired BoA common stock or BoA Common Equivalent Securities during the Class Period as described above, or if you are a legal representative, heir, successor or assign of someone who did so.

7. What if I am not sure if I am included?

If you are not sure whether you are included, you can ask for help by writing to Bank of America Securities Settlement, Claims Administrator, c/o Heffler Claims Group, P.O. Box 360, Philadelphia, PA 19105-0360, emailing BoASecuritiesSettlement@HefflerClaims.com, calling within the U.S. and Canada: 1-800-644-7835, or outside the U.S. and Canada: 1-215-845-4405, or visiting www.BoASecuritiesSettlement.com. Or you can fill out and return the Proof of Claim and Release form (“Proof of Claim”) described on page 10, in Question 10, to see if you qualify.

⁴ The February 14, 2014 Stipulation and Order Certifying Class defined the term “Defendants” to consist of BoA and the Executive Defendants.

THE SETTLEMENT BENEFITS—WHAT YOU MAY RECEIVE

8. **What does the Settlement provide?**

In the Settlement, BoA has agreed to pay or cause to be paid \$335,000,000.00 in cash, which will be deposited in an interest-bearing escrow account for the benefit of the Class (the “Settlement Fund”). The Settlement Fund will be divided, after deduction of Court-awarded attorneys’ fees and expenses, settlement administration costs and any applicable taxes (the “Net Settlement Fund”), among all Class Members who timely submit valid Proofs of Claim that are accepted for payment by the Court (“Authorized Claimants”).

9. **How much will my payment be?**

The Plan of Allocation, discussed on pages 15-21 below, explains how the Net Settlement Fund will be allocated, and how claimants’ “Recognized Losses” will be calculated. Your share of the Net Settlement Fund will depend on several things, including: (i) the quantity of BoA common stock and/or BoA Common Equivalent Securities you bought; (ii) how much you paid for such securities; (iii) when you bought such securities; (iv) whether you sold such securities (and, if so, when and for how much you sold them); and (v) the amount of Recognized Losses of other Authorized Claimants.

It is unlikely that you will get a payment for your entire Recognized Loss, given the number of potential Class Members. After all Class Members have sent in their Proofs of Claim, the payment any Authorized Claimant will get will be their *pro rata* share of the Net Settlement Fund based on the Plan of Allocation approved by the Court. In general, an Authorized Claimant’s share will be his, her or its Recognized Loss divided by the total of all Authorized Claimants’ Recognized Losses and then multiplied by the total amount in the Net Settlement Fund. See the Plan of Allocation beginning on page 15 for more information.

Once all the Proofs of Claim are processed and claims are calculated, Lead Counsel, without further notice to the Class, will apply to the Court for an order authorizing distribution of the Net Settlement Fund to the Authorized Claimants. Lead Counsel will also ask the Court to approve payment of the Claims Administrator’s fees and expenses incurred in connection with administering the Settlement that have not already been reimbursed.

HOW YOU GET A PAYMENT—SUBMITTING A PROOF OF CLAIM

10. **How can I get a payment?**

To qualify for a payment, you must timely send in a valid Proof of Claim with supporting documents (DO NOT SEND ORIGINALS of your supporting documents). A Proof of Claim is enclosed with this Notice. You may also get copies of the Proof of Claim on the Internet at the websites for the Claims Administrator: www.BoASecuritiesSettlement.com, or Lead Counsel: www.barrack.com. Please read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail it to the Claims Administrator by First-Class Mail, **postmarked on or before November 14, 2016**. You may also file a claim electronically at www.BoASecuritiesSettlement.com **no later than November 14, 2016**. *The Claims Administrator needs all of the information requested in the Proof of Claim in order to determine if you are eligible to receive a distribution from the Net Settlement Fund.*

Any Class Member who fails to submit a Proof of Claim by the date identified above shall be barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Stipulation, as amended, unless, by order of the Court late-filed Proofs of Claim are accepted, but shall in all other respects be bound by all the terms of this Stipulation and the Settlement, as amended, including the terms of the Judgment and all releases provided for herein and therein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Defendants concerning the Released Plaintiff Claims. All Proofs of Claim received before the motion for the Distribution Order is filed shall be deemed to be submitted when mailed, if received with a postmark on the envelope and if mailed by first-class or overnight U.S. Mail and addressed in accordance with the instructions thereon. In all other cases, the Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

11. When would I get my payment?

The Court will hold a hearing on November 29, 2016 at 2:00 p.m., to decide whether to, among other things, approve the Settlement and the proposed Plan of Allocation. All Proofs of Claim must be submitted to the Claims Administrator, either electronically at www.BoASecuritiesSettlement.com **no later than November 14, 2016**, by first-class prepaid mail **postmarked on or before November 14, 2016**, or by overnight delivery service (FedEx, UPS, etc) **no later than November 14, 2016**. If the Court approves the Settlement, there may still be appeals which would delay payment, perhaps for more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up by staying in the Class?

If you are a Class Member, unless you exclude yourself, you will stay in the Class, which means that as of the date that the Settlement becomes effective under the terms of the Stipulation, as amended (the "Effective Date"), you will forever give up and release all "Released Plaintiff Claims" (as defined below) against the "Released Defendants" (as defined below). You will not in the future be able to bring a case asserting any Released Plaintiff Claim against the Released Defendants.

(a) "Released Plaintiff Claims" means any and all claims, rights, actions, issues, controversies, causes of action, duties, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of every kind, nature, and description (including but not limited to any claims for damages, interest, attorneys' fees or expert or consulting fees, and any and all other costs, expenses or liabilities whatsoever), including both known claims and Unknown Claims (defined in sub-paragraph e, below), whether arising under federal, state, or foreign law, or statutory, common, or administrative law, or any other law, rule, or regulation, whether asserted as claims, cross-claims, counterclaims, or third-party claims, whether fixed or contingent, choate or inchoate, accrued or not accrued, matured or unmatured, liquidated or un-liquidated, perfected or unperfected, whether class or individual in nature, that previously existed, currently exist, or that exist as of the date of the Court approval of the Settlement or that may arise in the future, that Lead Plaintiff or any other Class Member asserted or could have asserted against Released Defendants in the Action or any other action or in any forum (including, without limitation, any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere) that (i) in any way arise out of, are based upon, relate to, or concern the claims, allegations, transactions, facts, events, acts, disclosures, statements, representations, or omissions or failures to act alleged, set forth, referred to, involved in the Action, (ii) could have been raised in the Action or any of the complaints filed or proposed to be filed therein, or (iii) in any way arise out of, are based upon, relate to, or concern the holding, ownership, purchase, acquisition, disposition, or sale of, or other transaction in BoA common stock or BoA Common Equivalent Securities during the Class Period, or the holding, ownership, purchase, acquisition, disposition, or sale of, or other transaction in BoA common stock or BoA Common Equivalent Securities in or traceable to an offering during the Class Period, including, without limitation, claims that arise out of or relate to any disclosures, SEC filings, press releases, investor calls, registration statements, offering memoranda, web postings, presentations or any other statements by BoA or any other of the Defendants during the Class Period. Released Plaintiff Claims also include but are not limited to any claim under Rule 11 of the Federal Rules of Civil Procedure, 28 U.S.C. § 1927, or any rule, regulation, statute, contract, judicial opinion, common law or other legal or equitable principle that could be asserted at any time against Defendants or their counsel, including counsel's employees and agents, concerning in any way whatsoever the defense or settlement of this Action, including any factual allegations or legal assertions made herein. Released Plaintiff Claims do not include claims to enforce the Settlement.

(b) "Released Defendants" means any of the following: (a) Defendants; (b) the Defendants' respective present and former parents, affiliates, subsidiaries, divisions, general partners, limited partners, limited liability partners, and any Person in which any Defendant has or had a controlling interest; and (c) the present and former Immediate Family, heirs, principals, owners, trustees, trusts, executors, administrators, predecessors, successors, assigns, members, agents, subsidiaries, employees, associates, Officers, managers, Directors, general partners, limited partners, bankers, attorneys, accountants, auditors, representatives, estates, divisions, advisors, estate managers, indemnifiers, insurers, and reinsurers of each of the Persons listed in subpart (a) or (b) of this definition. "Released Defendants" shall also include any entity or partnership (whether or not incorporated) which carries on business under a name which includes all or part of the PricewaterhouseCoopers name or is otherwise (directly or indirectly) within the worldwide network of PricewaterhouseCoopers firms, including PricewaterhouseCoopers International Limited and any member firm, network firm, specified subsidiary or connected firm of PricewaterhouseCoopers International Limited.

(c) The Released Plaintiff Claims include any and all claims that any or all of the Releasing Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Claims, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement, including, with respect to Lead Plaintiff or any other Class Member, the decision to exclude himself, herself, or itself from the Class, or to object or not to object to the Settlement (collectively, including as described in the remainder of this paragraph, “Unknown Claims”). The Released Claims shall also include any claim under Rule 11 of the Federal Rules of Civil Procedure, 28 U.S.C. §1927 or any other rule, regulation, statute, contract, judicial opinion, common law or other legal or equitable principle that could be asserted at any time against Released Parties, their counsel, or their counsel's employees or agents concerning in any way whatsoever the institution, maintenance, prosecution, or defense of this litigation, including any factual allegations or legal assertions made herein. With respect to any and all Released Claims, the Settling Parties stipulated and agreed that, upon the Effective Date, each Releasing Party shall expressly, and shall be deemed to have, and by operation of the Judgment shall have, to the fullest extent permitted by law, expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Settling Parties further acknowledged that a Releasing Party may hereafter discover facts, legal theories, or authorities in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but that the Settling Parties nevertheless intend to and shall expressly, fully, finally, and forever settle and release, and upon the Effective Date and by operation of the Judgment each other Releasing Party shall be deemed to have, and shall have, settled and released, fully, finally, and forever, any and all Released Claims as applicable, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which have existed now or will exist, upon any theory of law or equity, including, but not limited to, conduct which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. The Settling Parties acknowledged, and agreed that each other Releasing Party by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Released Plaintiff Claims was separately bargained for and was a material and essential element of the Settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep any right you may have to sue or continue to sue the Released Defendants on your own about the Released Plaintiffs’ Claims, then you must take steps to exclude yourself from the Class. Excluding yourself is known as “opting out” of the Class. Defendants may withdraw from and terminate the Settlement if potential Class Members who purchased in excess of a certain amount of BoA common stock and BoA Common Equivalent Securities opt out of the Class.

If you timely and properly request exclusion from the Class, you will retain any rights you have to sue Defendants yourself with respect to the Released Plaintiffs’ Claims to the extent those claims are viable under the statute of limitations and statute of repose applicable to claims under the Securities Act and/or the Exchange Act. You should note that pursuant to a decision of the United States Court of Appeals for the Second Circuit, entitled *Police & Fire Ret. Sys. v. IndyMac MBS, Inc.*, 721 F.3d 95 (2d Cir. 2013) (“*IndyMac*”) (a copy of this decision may be viewed at www.BoASecuritiesSettlement.com), if you exclude yourself from the Class, you may forfeit any claims you may have against Defendants relating to your purchases of BoA securities during the Class Period because the 3-year statute of repose under the Securities Act (which is 3 years from the date the securities were *bona fide* offered to the public) and the 5-year statute of repose under the Exchange Act (which is 5 years from the date securities were purchased) has otherwise expired. It is therefore possible that only members of the Class whose claims are tolled by virtue of their continuing membership in the Class will be able to recover against Defendants under the law currently applicable to this Action. Before you decide to request exclusion from the Class, you are urged to consult your counsel, at your own expense, to fully evaluate your rights and the consequences of excluding yourself from the Class.

13. How do I “opt out” (exclude myself) from the proposed Settlement?

To “opt out” (exclude yourself) from the Class, you must deliver or mail a signed letter by First-Class Mail stating that you “request exclusion from the Class in *Pennsylvania Public School Employees’ Retirement System v. Bank of America Corporation.*” Your letter **must** state the date(s), price(s) and number of shares or units of all your purchases, acquisitions and sales of BoA common stock or BoA Common Equivalent Securities during the Class Period, and your holdings of such securities as of the close of business on October 19, 2010. This information is needed to determine whether you are a Class Member. In addition, you must include your name, address, telephone number, and your signature. You must submit your request for exclusion addressed to Bank of America Securities Settlement, Claims Administrator, EXCLUSIONS, c/o Heffler Claims Group, P.O. Box 360, Philadelphia, PA 19105. The request for exclusion must be **received on or before September 13, 2016**. **You cannot exclude yourself or opt out by telephone or by email.** Your request for exclusion must comply with these requirements in order to be valid. If you are excluded, you will not be eligible to get any payment from the Settlement proceeds and you cannot object to the Settlement, the proposed Plan of Allocation or the application for attorneys’ fees and reimbursement of expenses.

14. If I do not exclude myself, can I sue Defendants and the other Released Defendant Parties for the same thing later?

No. Unless you exclude yourself, you give up any rights you may have to sue Defendants and the other Released Defendant Parties for all Released Claims. If you have a pending lawsuit against any of Defendants, speak to your lawyer in that case **immediately**. You may be required to exclude yourself from *this* Class to continue your own lawsuit. Remember, the exclusion deadline is **September 13, 2016**.

15. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money, as any such Proof of Claim will be rejected.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The law firm of Barrack Rodos & Bacine was appointed to represent all Class Members. These lawyers are called Lead Counsel. You will not be separately charged for the services of these lawyers. The Court will determine the amount of Lead Counsel’s fees and expenses. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel has not received any payment for its services in pursuing the claims against Defendants on behalf of the Class since the Action was commenced in 2011, nor has it been reimbursed to this point for any of its litigation expenses. At the Settlement Hearing described below, or at such other time as the Court may order, Lead Counsel will ask the Court to award it, from the Settlement Fund, attorneys’ fees of no more than 15.5% of the Settlement Fund, plus interest from the date of funding at the same rate as earned by the Settlement Fund, and to reimburse it for its litigation expenses, such as the cost of experts, that it has incurred in pursuing the Action. The request for reimbursement of expenses will not exceed \$2.135 million, plus interest on the expenses from the date of funding at the same rate earned by the Settlement Fund. Lead Counsel’s overall request for reimbursement of litigation expenses will include a request for an award to Lead Plaintiff for reimbursement of its reasonable costs and expenses (including lost wages) directly related to its representation of the Class, pursuant to the Private Securities Litigation Reform Act of 1995.

OBJECTING TO THE SETTLEMENT

18. How do I tell the Court that I do not like something about the proposed Settlement?

If you are a Class Member and do not exclude yourself (“opt out”) in accordance with Section 13 above, you can object to any part of the Settlement, the proposed Plan of Allocation, and/or the application by Lead Counsel for attorneys’ fees and reimbursement of expenses. You must write to the Court setting out your objection, giving reasons

why you think the Court should not approve any part or all of the Settlement, the proposed Plan of Allocation, or the attorneys' fee and expense request.

To object, you must send a signed objection or letter stating that you object to the proposed Settlement, Plan of Allocation and/or the application for attorneys' fees and reimbursement of expenses in the case known as: *Pennsylvania Public School Employees' Retirement System v. Bank of America Corporation, et al.*, No. 11-CV-00733-WHP (S.D.N.Y.). You must include your name, address, telephone number and your signature; identify the date(s), price(s) and number of shares and units of all purchases, acquisitions and sales of BoA securities during the Class Period. This information is needed to demonstrate your membership in the Class. Your letter must also state the reasons why you object to the Settlement, the proposed Plan of Allocation, or the attorneys' fee and expense request, including any legal support for your objection and copies of any papers, briefs, or other documents upon which any objection is based.

Unless otherwise ordered by the Court, any Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will not be able to appear separately at the Settlement Hearing or to make any objection to the Settlement, the proposed Plan of Allocation, and/or the application for attorneys' fees and reimbursement of expenses. If you elect to "opt out," you will not be entitled to share in the Settlement proceeds and will not have a right to make an objection to the Settlement, proposed Plan of Allocation and/or the application for attorneys' fees and reimbursement of expenses.

Your objection must be filed with the United States District Court for the Southern District of New York by hand or by mail such that it is **received on or before September 13, 2016**, at the address set forth below. You must also serve the papers on Lead Counsel and designated Defendants' Counsel at the addresses set forth below so that the papers are **received on or before September 13, 2016**.

COURT:

CLERK OF THE COURT
United States District Court for the
Southern District of New York
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, NY 10007-1312

LEAD COUNSEL:

BARRACK, RODOS & BACINE
Mark R. Rosen
Jeffrey A. Barrack
Jeffrey B. Gittleman
3300 Two Commerce Square
2001 Market Street
Philadelphia, PA 19103

DESIGNATED COUNSEL FOR DEFENDANTS:

SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
Scott D. Musoff
Four Times Square
New York, NY 10036-6522

19. What is the difference between objecting and requesting exclusion?

Objecting is telling the Court that you do not like something about the proposed Settlement. You can still recover from the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no right to object because the Action no longer affects you and you are no longer a member of the Class.

THE COURT'S SETTLEMENT HEARING

20. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing at 2:00 p.m. on November 29, 2016, in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, Courtroom 20B, New York, NY 10007-1312. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. The Court also will consider the proposed Plan of Allocation for the proceeds of the

Settlement and the applications for attorneys' fees and reimbursement of expenses. The Court will take into consideration any written objections filed in accordance with the instructions set out above in the answer to Question 18. We do not know how long it will take the Court to make these decisions.

You should also be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to come to the hearing, you should check with Lead Counsel before coming to be sure that the date and/or time has not changed.

21. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court may have. But, you are welcome to come at your own expense. If you validly submit an objection, it will be considered by the Court. You are not required to come to Court to talk about it.

22. May I speak at the hearing and submit additional evidence?

If you file an objection, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* Question 18 above) a statement that it is your "notice of intention to appear in *Pennsylvania Public School Employees' Retirement System v. Bank of America Corporation, et al.*, 11-CV-00733-WHP (S.D.N.Y.)." You cannot speak at the hearing if you excluded yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Hearing according to the procedures described above and in the answer to Question 18.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants and the Released Defendant Parties about the Released Claims in this case. To be eligible to share in the Net Settlement Fund you must submit a Proof of Claim (*see* Question 10). To start, continue or be a part of any *other* lawsuit against the Defendants and the other Released Defendant Parties about the Released Claims in this case you must exclude yourself from this Class (*see* Question 13).

GETTING MORE INFORMATION

24. Are there more details about the proposed Settlement and the lawsuit?

This Notice summarizes the proposed Settlement. More details are in the Stipulation and Agreement of Settlement, as amended, dated as of March 11, 2016 (the "Stipulation"). You may review the Stipulation, as amended, filed with the Court and all documents filed in the Action during business hours at the Office of the Clerk of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312.

You also can call the Claims Administrator within the U.S. and Canada: 1-800-644-7835, or outside the U.S. and Canada call: 1-215-845-4405; call Lead Counsel Barrack Rodos & Bacine at (215) 963-0600; write to Bank of America Securities Settlement, Claims Administrator, c/o Heffler Claims Group, P.O. Box 360, Philadelphia, PA 19105-0360; email the Claims Administrator at BoASecuritiesSettlement@HefflerClaims.com; or visit the websites www.BoASecuritiesSettlement.com, or www.barrack.com, where you can download copies of this Notice and the Proof of Claim. **Please do not call the Court, the Defendants or their counsel with questions about the Settlement.**

PLAN OF ALLOCATION OF NET SETTLEMENT FUND

I. GENERAL PROVISIONS

The Net Settlement Fund shall be distributed to each Class Member who timely submits a valid Proof of Claim to the Claims Administrator that is accepted for payment by the Court ("Authorized Claimant"). The Net Settlement Fund will not be distributed to Authorized Claimants until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by *certiorari* or otherwise, of the order(s) approving the Settlement and the plan of allocation has expired. Defendants are not entitled to get back any

portion of the Settlement Fund once the Effective Date of the Settlement has occurred. Defendants shall not have any obligation or responsibility for, interest in, or liability whatsoever with respect to the administration of the Settlement or disbursement of the Net Settlement Fund or the Plan of Allocation.

The Plan provides that Authorized Claimants will be eligible to participate in the distribution of the Net Settlement Fund only if Authorized Claimants purchased BoA common stock or BoA Common Equivalent Securities during the Class Period, and suffered losses as a result of their purchases and sales.

Approval of the Settlement is independent from approval of the plan of allocation. Any determination with respect to the plan of allocation will not affect the Settlement, if approved.

The Plan of Allocation set forth herein is the Plan that is being proposed by Lead Plaintiff and Lead Counsel to the Court for approval. The Court may approve this Plan as proposed or it may modify the Plan of Allocation without further notice to the Class. Any orders regarding a modification of the Plan of Allocation will be posted on the Settlement website, www.BoASecuritiesSettlement.com, and Lead Counsel's website, identified above.

Payment pursuant to the Plan approved by the Court shall be final and conclusive against all Class Members. No person shall have any claim of any kind against the Released Defendants or their counsel with respect to the administration of the Settlement, including the Plan of Allocation. No person shall have any claim against Lead Plaintiff, Lead Counsel, or the Claims Administrator or other agent designated by Lead Counsel arising from the Settlement and distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the court. Lead Plaintiff, Defendants, their respective counsel, Lead Plaintiff's damages expert, and all other released parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund consistent with the terms of the Stipulation, the Plan of Allocation, or the determination, administration, calculation, or payment of any proof of claim form or nonperformance of the claims administrator, the payment or withholding of taxes, expenses, or costs incurred in connection with the taxation of the settlement fund, or any losses suffered by, or fluctuations in the value of, the Settlement Fund.

In developing the Plan of Allocation with respect to BoA common stock and Common Equivalent Securities purchasers, Lead Plaintiffs' damages expert calculated the estimated amount of artificial inflation in the per share closing prices of BoA common stock that purportedly was proximately caused by Defendants' alleged misrepresentations and material omissions. In performing this calculation, Lead Plaintiff's damages expert considered price changes in BoA common stock in reaction to certain public announcements regarding BoA in which such alleged misrepresentations and material omissions were alleged to have been revealed to the market (which are termed "corrective disclosures"), adjusting for price changes that were attributable to market or industry forces. Because alleged corrective disclosures reduced the artificial inflation in several steps at and near the end of the Class Period, the alleged damages suffered by any particular claimant depends on when that claimant purchased and sold shares, or retained shares beyond the end of the Class Period.

Based on the proposed Plan of Allocation, a Recognized Loss will be calculated as set forth below for each purchase or other acquisition of an Eligible Security during the Class Period. The calculation of Recognized Loss will depend upon several factors, including (i) the amount of common stock or Common Equivalent Security that was converted to common stock on February 24, 2010 that was purchased or otherwise acquired; (ii) the date when the BoA common stock or BoA Common Equivalent Security was purchased or otherwise acquired; and (iii) whether the BoA common stock or BoA Common Equivalent Security was sold, and if so, when they were sold, and for what amounts. Any share of Common Equivalent Security that was not held until its conversion to common stock, and any share of common stock (whether originally issued as common stock or Common Equivalent Security that was converted to common stock) that was not held until at least the date of the first alleged corrective disclosure on October 14, 2010 has incurred no Recognized Loss and thus is not entitled to share in the recovery.

The Recognized Loss formulas within the Plan of Allocation with respect to BoA common stock and BoA Common Equivalent Securities are not indicative of damages that Lead Plaintiff may have sought to present to a jury, had the case gone to trial, and do not take into account certain defenses that were and might have been raised by Defendants had the case progressed to summary judgment motions and/or trial. To the contrary, the Recognized Loss formulas are intended solely for purposes of the Plan of Allocation, and cannot and should not be binding upon Lead Plaintiff or any Class Member for any other purpose.

The Recognized Loss will be calculated as described in Section II below for each purchase or other acquisition of BoA securities that are listed in the Proof of Claim form, and for which adequate documentation is provided.

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those class members who suffered economic losses as a result of the alleged misrepresentations and omissions of Defendants, as opposed to losses caused by market or industry factors or other company-specific factors.

A. Eligible Securities

The BoA common stock and BoA Common Equivalent Securities, which were converted into BoA common stock, (“Eligible Securities”) are the only BoA securities for which an Authorized Claimant may be entitled to receive a distribution from the Net Settlement.

B. Overall Allocation of the Net Settlement Fund

As previously described in the Notice, the Net Settlement Fund is the remainder of the Settlement Fund after deduction of Court-awarded attorneys’ fees and expenses, settlement administration costs and any applicable taxes.

The Net Settlement Fund will be allocated to Authorized Claimants as follows:

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proof of Claim and Release forms (“Claimants”) under the Plan of Allocation (the “Plan”) described below. The Plan provides that Claimants will be eligible to participate in the distribution of the Net Settlement Fund only if Claimants purchased or otherwise acquired Bank of America Corporation (“BoA”) common stock or BoA Common Equivalent Securities that subsequently automatically converted to common stock during the “Class Period,” February 27, 2009 to October 19, 2010.

Defendants have had, and shall have, no involvement or responsibility for the terms or application of the Plan described herein. The Court may approve the Settlement and Stipulation, as amended, even if it does not approve the Plan for the settlement proceeds.

II. Recognized Loss

To the extent there are sufficient funds in the Net Settlement Fund, each Claimant will receive an amount equal to the Claimant’s “Recognized Loss,” as described below. If, however, as expected, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Claimant, then each Claimant shall be paid the percentage of the Net Settlement Fund that each Claimant’s Recognized Loss bears to the total of the Recognized Losses of all Claimants – i.e., the Claimant’s pro rata share of the Net Settlement Fund. Payment in this manner shall be deemed conclusive against all Claimants.

The proposed Plan reflects the Plaintiff’s allegations that over the course of the Class Period, the trading prices of the Eligible Securities were artificially inflated as a result of the Defendants’ alleged misrepresentations and omissions concerning this matter.

Estimated damages and the Plan were developed based on event study analysis, which sought to determine how much artificial inflation was in the stock price on each day during the Class Period, assuming the viability of the claims asserted on behalf of the Class, by measuring how much the stock price was inflated as a result of the alleged misrepresentations and omissions and declined as a result of disclosures that corrected the alleged misrepresentations and omissions.

Based on the foregoing, and for purposes of this settlement only, Recognized Loss will be calculated as follows:

For each share of the Eligible Securities purchased or otherwise acquired during any of the periods shown in the left column of Table-1, and:

- a. sold within the same period, the Recognized Loss per share is zero.
- b. sold in a subsequent period, the Recognized Loss per share is the lesser of:
 - i. the decline in inflation per share shown below in Table-1; or
 - ii. the purchase price per share less the sales price per share.
- c. retained beyond October 19, 2010 but sold before January 14, 2011, the Recognized Loss per share is the lesser of:
 - i. the decline in inflation per share shown in Table-1; or
 - ii. the difference between the purchase price and the sales price; or
 - iii. the purchase price per share less the price per share identified in Table-2 for the date the share(s) were sold.⁵
- d. retained on January 14, 2011, the Recognized Loss per share is the lesser of:
 - i. the decline in inflation per share shown in Table-1; or
 - ii. the difference between the purchase price per share and \$12.46 per share.

C. Additional Provisions

For Class Members who held shares at the beginning of the Class Period, or who made multiple purchases, acquisitions or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a Recognized Loss. Under the FIFO method, shares sold during the Class Period will be matched first against shares held at the beginning of the Class Period. The sale of any remaining shares during the Class Period will then be matched in chronological order against shares purchased during the Class Period.

A Claimant will be eligible to receive a distribution from the Net Settlement Fund only if a Claimant had a net loss, after all profits from transactions in the Eligible Securities during the Class Period are subtracted from all losses.

Table-1: Decline in Artificial Inflation per Share

Purchase Date	Sale Date			Retained Beyond 10/19/2010
	2/27/2009-10/13/2010	10/14/2010	10/15/2010-10/18/2010	
2/27/2009-10/13/2010	\$0.00	\$0.31	\$0.60	\$0.99
10/14/2010		\$0.00	\$0.29	\$0.68
10/15/2010-10/18/2010			\$0.00	\$0.39

⁵ The proposed Plan of Allocation, in this regard, reflects Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, which states that “in any private action arising under this chapter in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” The mean (average) daily closing trading price of BAC common stock during the 90-day period beginning on October 19, 2010 and ending on January 14, 2011 is \$12.46.

Table-2: Average Closing Prices for the 90 Days after the Class Period

Sale Date	Average Closing Price per Share
10/19/2010	\$11.80
10/20/2010	\$11.78
10/21/2010	\$11.64
10/22/2010	\$11.59
10/25/2010	\$11.50
10/26/2010	\$11.47
10/27/2010	\$11.48
10/28/2010	\$11.49
10/29/2010	\$11.48
11/1/2010	\$11.48
11/2/2010	\$11.48
11/3/2010	\$11.48
11/4/2010	\$11.53
11/5/2010	\$11.59
11/8/2010	\$11.66
11/9/2010	\$11.69
11/10/2010	\$11.75
11/11/2010	\$11.78
11/12/2010	\$11.80
11/15/2010	\$11.81
11/16/2010	\$11.82
11/17/2010	\$11.81
11/18/2010	\$11.81
11/19/2010	\$11.80
11/22/2010	\$11.78
11/23/2010	\$11.75
11/24/2010	\$11.74
11/26/2010	\$11.71
11/29/2010	\$11.70
11/30/2010	\$11.68
12/1/2010	\$11.66
12/2/2010	\$11.66
12/3/2010	\$11.67
12/6/2010	\$11.67
12/7/2010	\$11.67
12/8/2010	\$11.67
12/9/2010	\$11.70
12/10/2010	\$11.73
12/13/2010	\$11.75
12/14/2010	\$11.77

Sale Date	Average Closing Price per Share
12/15/2010	\$11.78
12/16/2010	\$11.80
12/17/2010	\$11.82
12/20/2010	\$11.83
12/21/2010	\$11.86
12/22/2010	\$11.89
12/23/2010	\$11.92
12/27/2010	\$11.95
12/28/2010	\$11.97
12/29/2010	\$12.00
12/30/2010	\$12.03
12/31/2010	\$12.05
1/3/2011	\$12.09
1/4/2011	\$12.13
1/5/2011	\$12.17
1/6/2011	\$12.21
1/7/2011	\$12.25
1/10/2011	\$12.29
1/11/2011	\$12.33
1/12/2011	\$12.37
1/13/2011	\$12.41
1/14/2011	\$12.46

III. DISTRIBUTION OF THE NET SETTLEMENT FUND

A. The proceeds of the settlement will be distributed to Authorized Claimants in accordance with this Plan of Allocation (the “Plan”) or as otherwise ordered by the Court. The amount to be distributed to Authorized Claimants will be determined as follows: first, the expenses of the litigation (including taxes, approved costs and fees) will be deducted from the Settlement Amount to arrive at the Net Settlement Fund; and second, the Net Settlement Fund plus the interest earned thereon shall be distributed to Authorized Claimants.

B. An Authorized Claimant’s pro rata share of the Net Settlement Fund will be determined based upon the Authorized Claimant’s “Recognized Loss” (as described above in Section II).

C. General Provision: Subject to Court approval or modification without further notice, distribution of the Net Settlement Fund to Authorized Claimants will be distributed in accordance with the following general provisions:

1. To the extent there are sufficient funds in the applicable portion of the Net Settlement Fund, based on the overall allocation stated above, each Authorized Claimant will receive an amount equal to the Authorized Claimant’s Recognized Loss, subject to the minimum distribution amount identified in sub-part 3 below;

2. If the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant’s Recognized Loss bears to the total of the Recognized Losses of all Authorized Claimants (“pro rata share”) within the overall allocation pool for that Authorized Claimant’s purchases, subject to the minimum distribution amount identified in sub-part (c) below. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

3. In light of the costs of administering and paying very small claims, no payment will be made to any Authorized Claimant if the payment to that Claimant would be less than \$10. The calculation of the pro rata share distribution amounts will not include such claims.

4. Any person or entity that sold BoA common stock “short” shall have no Recognized Loss with respect to purchases during the Relevant Period to cover short sales. Claimants must identify all short sales and purchases to cover short sales on the Claimant’s Proof of Claim form. The date of covering a “short sale” is deemed to be the date of purchase or other acquisition of BoA common stock. The date of a “short sale” is deemed to be the date of sale of BoA common stock. The Recognized Loss for “short sales” is zero. In the event that there is an opening short position in BoA common stock, the earliest Class Period purchases shall be matched against such opening short position, and not be matched against sales, until that short position is fully covered.

5. The price per share, purchased or sold, shall be exclusive of all commissions, taxes and fees.

IV. ADDITIONAL PROVISIONS

Purchases or acquisitions and sales of BoA common stock or BoA Common Equivalent Securities shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of BoA Securities shall not be deemed a purchase, acquisition or sale of such securities for the calculation of an authorized claimant’s recognized loss for these securities, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such BoA common stock or BoA Common Equivalent Securities, unless: (i) the donor or decedent purchased or otherwise acquired such BoA common stock or BoA Common Equivalent Securities during the class period; (ii) no proof of claim form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such BoA common stock or BoA Common Equivalent Securities; and (iii) the assignment is specifically provided for in the instrument of gift or assignment.

To the extent a claimant had a market gain from his, her, or its overall transactions in BoA common stock or BoA Common Equivalent Securities during the relevant period, the value of the claim will be zero. Such claimants will, in any event, be bound by the settlement. To the extent that a claimant suffered an overall actual market loss on his, her, or its overall transactions in BoA common stock or BoA Common Equivalent Securities during the relevant period, but that actual market loss was less than the total recognized loss calculated above, then the claimant’s Recognized Loss shall be limited to the amount of the actual market loss.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. Following an initial distribution of the Net Settlement Fund, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator will conduct a redistribution of any funds remaining in the Net Settlement Fund by reason of returned or uncashed checks or otherwise, to Authorized Claimants who have cashed their initial distribution checks and who would receive at least \$10 on such redistribution based on their Recognized Losses, after payment from the Net Settlement Fund of any unpaid costs or fees incurred in administering the funds, including for such redistribution. Additional redistributions may occur thereafter to Authorized Claimants if Lead Counsel, in consultation with the Claims Administrator, determines that additional redistribution is cost-effective. At such time as it is determined that the redistribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance of the Net Settlement Fund shall be contributed to a tax-exempt non-sectarian, not-for-profit charitable organization serving the public interest, qualified in accordance with Internal Revenue Code §501(c)(3), designated by Lead Plaintiff and approved by the Court.

Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Proof of Claim form.

**SPECIAL NOTICE TO SECURITIES BROKERS
AND OTHER NOMINEES**

25. What if I bought BoA securities on someone else's behalf?

If you purchased or otherwise acquired BoA common stock or BoA Common Equivalent Securities during the Class Period for the beneficial interest of a person or organization other than yourself, the Court has directed that, **WITHIN TEN (10) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE**, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or otherwise acquired securities during the Class Period (preferably in an MS Excel, .CSV, or .TXT format), setting forth (i) title/registration, (ii) street address, and (iii) city/state/zip; (b) provide computer-generated mailing labels; or (c) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within ten (10) calendar days of receipt of such copies send them by First-Class Mail, postage prepaid, directly to the beneficial owners of those BoA securities.

If you choose to follow alternative procedure (c), the Court has directed that, upon such mailing, you shall send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expenses and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid after request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

Bank of America Securities Settlement
Claims Administrator
c/o Heffler Claims Group
P.O. Box 360
Philadelphia, PA 19105-0360
Phone within the U.S. and Canada: 1-800-644-7835;
Phone outside the U.S. and Canada: 1-215-845-4405
www.BoASecuritiesSettlement.com

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION OR QUESTIONS ABOUT THE TERMS OF THE SETTLEMENT. INSTEAD, PLEASE DIRECT ALL QUESTIONS TO LEAD COUNSEL AND/OR THE CLAIMS ADMINISTRATOR, AS DIRECTED IN PARAGRAPH 24 ABOVE.

Dated: July 15, 2016

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK