Bank of America Reports Quarterly Earnings of $5.8 Billion, EPS $0.56

_Results Include Merchant Services Joint Venture Impairment Charge of $2.1 Billion (Pretax), or $0.19 per Diluted Share^A_

**Financial results**

**Third-quarter 2019**

On Wednesday, October 16, 2019, Bank of America reported net income of $5.8 billion or diluted earnings per share of $0.56 compared with $7.2 billion or $0.66 per diluted share in the year ago period.

“Our teammates delivered another strong quarter of earnings and returns for shareholders. In a moderately growing economy, we focused on driving those things that are controllable,” said Chairman and Chief Executive Officer Brian Moynihan.

“We made continued strong investments in our capabilities to serve customers, more relationship management teammates, more and refurbished branches and offices, and more digital capabilities, all while core expenses are flat. Our client activity, the expansion of our client base, and our ability to gain market share across most of our businesses in the quarter, all reflect responsible growth.”

“We remained disciplined in managing expenses and responsible in our approach to underwriting, which led to continued low costs and strong asset quality,” said Chief Financial Officer Paul Donofrio. “In the quarter, we returned more than $9 billion to our shareholders.”

Visit the [Bank of America Newsroom](https://www.bankofamerica.com/newsroom) for the full news release and supplemental **third-quarter** Financial Information, including information about the non-GAAP financial measures contained herein.

^A See Endnote on page 12.
Financial Highlights

- Net income of $5.8 billion, or $0.56 per diluted share ($7.5 billion, or $0.75 excluding impairment charge), compared to $7.2 billion or $0.66.
- Revenue, net of interest expense, increased modestly to $22.8 billion reflecting both higher investment banking fees and net interest income (NII) partially offset by an equity investment gain in the prior-year period.
- Net interest yield (FTE basis) of 2.41%, declined 4 bps.
- Provision for credit losses of $779 million.
- Noninterest expense of $15.2 billion compared to $13.0 billion, excluding impairment charge.

Bank of America Net Income

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<thead>
<tr>
<th>Quarter</th>
<th>Net Income</th>
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<tbody>
<tr>
<td>Q3-19</td>
<td>$5.8B</td>
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<tr>
<td>Q2-19</td>
<td>$7.3B</td>
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<td>Q4-18</td>
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<td>Q3-18</td>
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Bank of America and First Data Set Future Merchant Services Strategy

On July 29 Bank of America and First Data (now Fiserv) announced that they will pursue independent merchant services strategies beginning June 2020, when the contract concludes for the companies’ joint venture, Banc of America Merchant Services.

Bank of America and First Data have an agreement to provide uninterrupted delivery of products and services to Banc of America Merchant Services’ clients through at least June 2023. Going forward, First Data will be an important service provider supporting Bank of America’s global payment solutions.

“Payments are at the core of our business, and this announcement is another step forward in our global strategy to provide companies of all sizes an integrated payment offering,” said Mark Monaco, head of Enterprise Payments. “We look forward to investing in our merchant solution and delivering the capabilities our clients need to thrive in an ever-changing payments environment. We look forward to continuing our long-standing business relationship with First Data.”

Business Highlights

Consumer Banking
- Net income rose 5% to $3.3 billion.
- Loans up 7% to $304 billion.
- Deposits up 3% to $709 billion.
- Consumer investment assets up 9% to $223 billion; flows of $23 billion.
- Efficiency ratio remains low at 45%.
- 1.6 billion mobile logins, up 13%.

Global Wealth and Investment Management
- Net income rose 8% to $1.1 billion.
- Record pretax margin of 30%.
- Total client balances of $2.9 trillion.
- Loans up 5%; deposits up 7%.
- Year-to-date, net new households up 64% for Private Bank; 27% for Merrill Lynch.

Global Banking
- Net income increased 3% to $2.1 billion.
- Firmwide investment banking fees of $1.5 billion (excludes self-led) increased 27%.
- Loans increased 7% to $377 billion.
- Deposits up 7% to $360 billion.

Global Markets
- Sales and trading revenue of $3.2 billion, including net debit valuation adjustment (DVA) losses of $15 million.
- Excluding net DVA, sales and trading revenue increased 4% to $3.2 billion.
  - Equities increased 13% to $1.1 billion.
  - FICC stable at $2.1 billion.

See Endnotes A, B and C on page 12.
Evolving the Brand of Our Global Banking & Markets Businesses

Our brand is a reflection of how we run our company — united in serving our clients across eight lines of business. In every opportunity we have to serve, we work together as one team to deliver all we can and help people and businesses succeed. This makes us unique as a company, and will help us seize the opportunities ahead.

In 2018, we updated our company’s brand and logo to better reflect our work and progress over many years, including how we go to market as one company across all our businesses. This change delivers on our purpose and drives responsible growth.

As part of this evolution, we previously shared that:
• Bank of America is our enterprise brand, and represents our banking services for people and companies. This includes Consumer and Small Business, Private Bank and our businesses focused on companies and institutions.
• Merrill is the sub-brand for our investing and wealth management offerings, representing the continuum of capabilities across wealth management from self-directed to full-service advisory services.

The Transition Continues with Global Banking & Markets Businesses

We have taken the next step in our continued evolution and are transitioning from Bank of America Merrill Lynch to Bank of America and BofA Securities. Bank of America is the primary brand for our businesses that serve companies, with BofA Securities used for institutional broker dealer businesses as needed. Global Research will transition to BofA Securities in December.

Redesigned Mobile Banking App Provides a More Seamless and Efficient Experience

We’ve redesigned our Mobile Banking experience for consumer and small business clients to deliver a new layout that is clean, sleek and modern.

“The new look and feel of our mobile app reflects our focus on delivering solutions for clients that are timely, relevant and accessible — however they choose to bank,” said David Tyrie, head of Advanced Solutions and Digital Banking. “This enhanced mobile experience makes it even easier and more convenient for clients to bank with us and empowers them with information and insights to make better financial decisions.”

The mobile app redesign is a result of client feedback and our response to trends in the digital landscape, and is the first step in our evaluation of all customer experiences end-to-end.

New Features for Debit and Credit Card Holders

Additional new features in the app include an enhanced shopping experience and several updates for debit and credit card holders.

The shopping experience demonstrates our high-tech, high-touch strategy by further connecting digital and physical channels, allowing clients to begin an application process for a new product or service such as a credit card or home or auto loan in a financial center and complete it at a later time within the mobile app.

Updates for card holders who use the mobile app include:

• **Erica® credit card debt reduction insight** — Erica, our AI-driven virtual financial assistant, will provide qualifying clients with an interactive view of potential savings they could realize by accelerating the pay down of their Bank of America credit card balances. Currently available to employees, this new feature will begin rolling out to clients next year.

• **Erica card security updates** — Clients can ask Erica for more details on potential unauthorized card charges and help them initiate a dispute. Erica can also provide information on why a card transaction was declined and, in many cases, provide assistance to remedy the issue without the client having to make a call.

Bank of America announced record-breaking person-to-person (P2P) payments use, as the company’s active Zelle® users have already completed more transactions this year than in all of 2018. In less than nine months, Bank of America clients sent and received a total of 208 million transactions, compared to 158 million transactions throughout 2018.

As people increasingly turn to cashless solutions to move and manage their money, Bank of America has nearly 8.9 million clients actively using Zelle. “Our 38 million digital banking clients are driving the person-to-person growth trend,” said David Tyrie, head of advanced solutions and digital banking at Bank of America. “Thousands of Bank of America clients are adopting Zelle each week, and we are on track to surpass 9 million active users by the end of the year.”

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Bank of America Offers Down Payment and Closing Cost Grants to Buy a Home

As the newest part of the Bank of America Community Homeownership Commitment to help more than 20,000 families buy homes, we launched our new down payment grant program in select cities and metro areas across the country. The Bank of America Down Payment Grant gives eligible homebuyers in these areas up to 3% of the home purchase price ($10,000 maximum) to be used toward a down payment. No repayment is necessary.

While the down payment grant program is limited to select markets and a single loan product, homebuyers across the country may also be eligible for America’s Home Grant®, our closing cost grant program, through which they could receive up to $7,500 toward non-recurring closing costs or, in some instances, to buy down their interest rate.

Clients are Already Seeing the Benefits
As of the launch of the program in June, we have nearly $80 million in Down Payment Grant program loans in our pipeline, and 88% of our grants are going to first-time homebuyers. The first loan with the new Down Payment Grant closed almost a month after the launch.

Ads Help Prospective Homebuyers Learn About Our Grant Programs
We’re spreading the word about our down payment grant program through a local ad campaign that launched. In select markets advertising in English and Spanish will appear in local radio, print, transit signage, billboards, social media and online, digital and paid search. In addition, we are reaching our clients through Bank of America channels including ATM, videos and signage in our financial centers, mobile banking app and email.

New Ways We’re Helping Clients Stop Fraud

Bank of America is the first major financial services institution to provide a trusted contact designation process for all clients. This enables clients to choose a designated trusted contact person who the bank can speak to on their behalf when needed.

What is a Trusted Contact?
A trusted contact is an individual(s) (age 18 or older) identified by the client, whom Bank of America could contact about his or her account to address possible financial exploitation and confirm specifics about:
- Current contact information
- Health status
- Identity of any legal guardian, executor, trustee or holder of a power of attorney

Designating a trusted contact does not authorize the contact to gather information or conduct transactions. If a client designates a trusted contact and we later suspect that client is a victim of financial exploitation, the bank’s At Risk Persons (ARP) fraud investigators may use the trusted contact information during their investigations to help prevent fraud or elder abuse. The bank has provided a trusted contact designation to investment clients for years through our financial advisors. This new process extends it to consumer clients.

The Bank of America Security Center provides what clients need to do and know to stay as safe as possible.

New Wire Conversation Guide Helps Protect Clients’ Money Before They Send a Wire
A wire transfer is an easy, convenient way to send money for important purposes, but if the client sends a wire to a scammer as result of fraud, there is little that can be done to reclaim the funds. We have introduced a new financial center client conversation guide to help give our clients the information and tips they need to spot trouble. Additionally, we have introduced a Hold Harmless Escalation Process to recover funds. Since launch the process has recovered more than $8 million on behalf of our clients.
Bank of America Joins UN Global Investors for Sustainable Development Alliance

The United Nations (UN) recently announced that Bank of America has joined the UN Global Investors for Sustainable Development (GISD) Alliance. This group of 30 corporate leaders will work together over the next two years to direct trillions of dollars from the private sector to finance the Sustainable Development Goals (SDGs).

Our involvement in the UN’s GISD Alliance directly aligns to our focus on responsible growth and mobilizing more capital to help advance and increase investment in the UN’s SDGs by 2030. Through this partnership, and our broader efforts on sustainability, we are helping to pave the path to achieve these goals. ”The public sector, through sustainable business models that attract like-minded investment, can close the financing gap and achieve the SDGs by 2030,” said CEO Brian Moynihan. “If all companies align their business models to deliver on the SDGs that are most relevant to their business, and investors track and measure their progress, together we will deliver shareholder returns and drive progress.”

Bank of America is expanding our commitment to fight AIDS, tuberculosis and malaria by renewing our partnership with (RED)® through an additional $10 million commitment to the Global Fund. This investment will continue our collective efforts to raise awareness and funds to help end mother-to-child transmission of HIV in Africa.

Since the launch of our partnership with (RED)® in January 2014, Bank of America has contributed more than $20 million to the Global Fund through our activities with (RED). With this expansion, the overall total will reach more than $30 million by 2025, providing women living with HIV in sub-Saharan Africa access to life-saving antiretroviral medications (ARV), enabling them to lead healthy and productive lives and preventing the passing of the virus to their unborn children. “Our work with (RED) and the Global Fund is another example of how we are partnering to help address some of society’s biggest issues — including global health, climate change, affordable housing and access to clean water and sanitation,” said Vice Chairman Anne Finucane.

“We believe Bank of America as a public company can simultaneously serve our clients, deliver for our shareholders, and address these local, national, and global social priorities,” said Chairman and Chief Executive Officer Brian Moynihan. “Meeting these challenges is an important part of how we ensure we are delivering responsible, sustainable growth, and this partnership is a great example of how we do that.”

Bank of America is Committing an Additional $10 Million to Extend Our Partnership with (RED)®
Bank of America Announces 2019 Art Conservation Project Grant Selections

Bank of America has announced grant funding to 22 major art restoration projects in nine countries, 11 U.S. cities and Puerto Rico through the 2019 Bank of America Art Conservation Project. The project provides grant funding to nonprofit cultural institutions throughout the world to conserve historically or culturally significant works of art that are in danger of deterioration.

Since the Art Conservation Project began in 2010, the bank has provided grants to conserve paintings, sculptures, archaeological and architectural pieces that are critically important to cultural heritage and the history of art. This year’s grant recipients include:

• The Starry Night by Vincent van Gogh – The Museum of Modern Art, New York City
• Spring by Georgia O’Keeffe – Georgia O’Keeffe Museum, Santa Fe, New Mexico
• Portrait of Madame Josette Gris by Juan Gris – Museo Nacional Centro de Arte Reina Sofia, Madrid
• A diverse selection of works at the Museo de Arte de Puerto Rico, San Juan
• Scènes des massacres de Scio (The Massacre at Chios) by Eugene Delacroix – Musée du Louvre, Paris

“With the 2019 selections, we have now been able to fund the conservation of 170 projects in 33 countries. We are gratified to be a part of extending the lifespan of cultural treasures from around the world,” said Rena DeSisto, global arts and culture executive, Bank of America. As one of this year’s selections, the works being preserved by the Museo de Arte de Puerto Rico are part of a museum-driven conservation project following the devastation of Hurricane Maria in 2017. This year’s grant selections are also enabling Le Centre d’Art in Port-au-Prince to conserve a selection of paintings rescued from the January 2010 earthquake.

Additional conservation projects will take place at the Museum of Modern Art in New York City. “As we open a re-imagined MoMA, with an approach that’s new for us and our visitors, the vital importance of conservation and the expert work of our conservators have never been more essential,” said Glenn D. Lowry, The David Rockefeller Director of The Museum of Modern Art. “Bank of America’s continuing support of conservation helps us ensure we can maintain our collection for future generations”.

Hispanic Heritage Month: A Time to Celebrate and Reflect

Hispanic Heritage Month was Sept. 15 through Oct. 15 in the U.S. — a time to celebrate the histories, cultures and contributions of those whose ancestors come from Spain, Mexico, the Caribbean, Central and South America.

At Bank of America, this was a key moment to reaffirm our commitment to invest in our Hispanic-Latino employees, clients and communities.

Delivering for Our Hispanic-Latino Clients

Hispanic-Latinos are the fastest growing population in the U.S. and experience GDP growth at a rate 70% faster than non-Latinos. Delivering products and services that meet the needs of our Hispanic-Latino clients is a priority.

We have partnered with local radio stations to air Spanish-language ads and segments featuring our Hispanic-Latino leaders, as well as running print ads.

One in three new accounts are opened by Hispanic-Latino and Spanish-speaking clients. We have more than 2,000 financial centers with Spanish language capabilities and tailored resources that meet their unique needs and help make their financial lives better.

Through Mejores Hábitos Financieros™, (Better Money Habits) we offer free, online tools and education to help build financial literacy and know-how.

Supporting Our Hispanic Latino Communities

By partnering with local organizations and Hispanic-serving institutions, we help advance and empower our Hispanic-Latino talent and communities.

In 2018, we invested more than $13.7 million with organizations supporting the Hispanic-Latino community through economic development, social justice, workforce training, and cultural initiatives.

We receive more than 300 talent referrals each year through our longstanding partnership with the Association of Latino Professionals for America (ALPFA).
The 42nd Bank of America Chicago Marathon Celebrates Record-breaking Finishes

The 42nd running of Bank of America’s Chicago Marathon saw record-breaking numbers, with 45,786 runners hailing from 140 countries, 50 states and all 50 of Chicago’s wards crossing the finish line at Grant Park. Runners colored the streets like confetti as they weaved their way through 29 neighborhoods under a sun-splashed sky with temperatures hovering in the 40s — ideal conditions for taking on the 26.2-mile race.

With an estimated 1.7 million spectators lining the streets, elite runners and debut marathoners alike enjoyed plenty of cheering and support along the course.

And the influx of both runners and spectators brought a dramatic economic boost to the city of Chicago over the race weekend, with increases in tourism, hospitality and commercial business. While this year’s totals are still in progress, last year’s race generated a record-breaking $378 million — an increase of $40 million over 2017. Plus, with 170 nonprofit organizations participating, thousands of runners raised tens of millions of dollars through the race’s Charity Program, which supports global, national and local causes.

Elite Competition

Every year, the marathon draws a field of world-class elite runners to its famously flat and fast course, and this year was no exception. What was exceptional, however, is Brigid Kosgei’s time of 2:14:04, which not only set a new Chicago course record for female finishers, but also broke Paula Radcliffe’s world record time of 2:15:25 set back in 2003.

The men’s race saw much tighter competition with nine runners striding shoulder-to-shoulder at the start. By mile 23, however, the competition had dwindled, and by the final turn 2019 Boston Marathon champion Lawrence Cherono and Bedan Karoki, both of Kenya, and Dejene Debela and Asefa Mengstu, both of Ethiopia, sprinted to the finish. At the finish, Cherono crossed the tape one second faster than Debela, running 2:05:45.

More Chicago Races

With race season coming to a close, runners can look forward to the start of the season again in March with the Bank of America Shamrock Shuffle 7K and our new half-marathon, the Bank of America Chicago 13.1, debuting June 7, 2020.

By Learning Computer Coding, Girls Develop New Skills and New Futures

Bank of America sponsored a seven-week program designed to spark and sustain teenage girls’ interest in computer coding. Rising 11th and 12th grade girls in Charlotte, Chicago, New York and Addison, Texas, learned web development and design, robotics and mobile development, guided by a team of talented female instructors.

In addition to supporting the Girls Who Code Summer Immersion Program, bank employees donate their time and expertise to many organizations that encourage girls and women to develop skills in science, technology, engineering and mathematics (STEM). Often, members of the Global Technology & Operations (GT&O) advocacy group, Women in Technology & Operations, lead those efforts.

To meet that demand, Bank of America must open those doors “when we’re hiring and as we’re training college-level women but also, at the same time, starting these grassroots programs,” said Aditya Bhasin, head of Consumer, Small Business & Wealth Management Technology. “We’re ensuring that women in the earliest stages of their education are getting access to the technology, mentoring and training that they need to be successful.”

As a way to learn about roles in computer science, girls in the program not only studied in the classroom but also took behind-the-scenes tours of major automobile, marketing and technology companies and met with some of the bank’s top technology executives.

Bank of America will provide four alumnae of the class of 2019 with full sponsorships to attend the Grace Hopper Celebration of Women in Computing in Orlando, so they can deepen their knowledge of coding and career opportunities.
Bank of America

Delivering for Our Employees

What Would You Like the Power to Do?
Provide Hope in the Communities Where We Live and Work

Earlier this year, we invited all teammates to answer the question: “What would you like the power to do?” and share with us how you would put a $50,000 grant to work in your community. Thirteen ideas were announced as initial winners to become a reality in partnership with an eligible local nonprofit, support from a work team within the bank, and a $50,000 grant. Two of these grants were announced in Hampton Roads, Va., and in Amarillo, Texas.

Supporting Teens of Incarcerated Parents
Global Commercial Banking Relationship Manager, Natalie Woods, was overjoyed when she learned that her idea was selected as a winner to receive a $50,000 grant for the “Road to Hope” project which she wanted to launch in partnership with Opportunity Plan, Inc. (OPI) in Amarillo, Texas. OPI provides financial assistance and other support to teens, and now in partnership with Woods’ “Road to Hope” program, this effort will specifically focus on aiding teens of incarcerated parents with financial assistance and mentoring support.

Bank of America announced the grant partnership with Opportunity Plan at the Bank of America Medical financial center in Amarillo. Woods shared her deeply personal tie to her desire to support children of incarcerated parents. She says Bank of America’s investment flipped the switch and turned her vision into a reality. Bank of America’s grant funding will provide assistance with post-high school job training expenses and tuition. Woods and other Bank of America Community Volunteers will be among the first to train and serve as mentors for the teens accepted into the program.

Helping Adults with Disabilities Achieve Their Dreams at Work
Merrill Financial Advisor, Sue Harmon, would like the power to help adults with disabilities overcome the simple obstacle to work. Harmon was brought to tears when CEO Brian Moynihan called to say her idea was selected as a winner.

Harmon’s idea was dedicated to providing funding to The Arc of Greater Williamsburg, a nonprofit organization serving young adults with developmental disabilities as they age out of special education in public schools. The grant will help launch a transportation and employment project called Wheels4Work, which will provide reliable transportation to adults with disabilities so they can achieve their career goals. The organization was touched by the generous donation and many of the clients were deeply moved as they expressed how this grant would help improve the lives of so many in their local community.

Revitalizing Communities Through the Habitat for Humanity Global Build

This year marks the 33rd year of our partnership with Habitat for Humanity and the sixth Global Build Week. From Oct. 5 – Oct. 12, in a record 108 communities across the U.S., Australia, Canada, Hong Kong, Indonesia, Japan, Korea, Singapore, India and South Africa, nearly 2,800 employee volunteers will partner with local Habitat for Humanity affiliate organizations and homeowners to build affordable housing and revitalize their communities.

“The Global Build is an annual highlight of our long-standing partnership with Habitat for Humanity, through which we focus on the need for affordable housing and community revitalization efforts in order to advance more sustainable communities,” said Kerry Sullivan, president of the Bank of America Charitable Foundation.
Global Women’s Conference: Investing in Yourself and Paying it Forward

“Your development is one of the cornerstones for us to be a great place for teammates to work. With that investment comes an understanding that you’ll in turn pay it forward by investing in others.”
— Brian Moynihan, Chairman and Chief Executive Officer

Each year, the conference is a key part of our investing in women strategy, bringing leaders together to brainstorm on best practices to improve advancement, attraction and retention of women across the businesses they support. Attendees also hear from external speakers and internal leaders on driving responsible growth, delivering on our business imperatives, professional development and diversity and inclusion.

Highlights from Our Senior Leader Women’s Summit

- Chief Operating Officer Tom Montag kicked off the day with opening remarks and moderated a compelling discussion with seven women country heads on their investing in women efforts within the businesses and countries that they lead. They discussed how they drive responsible growth, ways they ensure the unique customs and values of their countries are reflected in our strategy and brand, and the dynamic role they play as leaders globally.
- Later, Chief Financial Officer Paul Donofrio was joined by all six women of our board of directors where they shared their insights on Bank of America’s evolution over the years, their personal career journeys, and words of wisdom for attendees.
- CEO Brian Moynihan joined to share updates on our progress in driving responsible growth and to hear from our teammates.

Misty Copeland, principal dancer for the America Ballet Theatre, wowed attendees during a courageous conversation hosted by Global Diversity & Inclusion and Global Talent Acquisition Executive Cynthia Bowman on breaking barriers in the world of ballet, and her efforts to promote diversity and inclusion within the arts.

Recognized for Our Commitment to Invest in Women

Programs like the annual Global Women’s Conference are just one of the ways that we invest in women. We’re proud to be recognized with the following prestigious accolades for our efforts to invest in our female clients, employees, and communities, including being named on Fortune’s 2019 Best Places for Women list for the first time.

Bank of America Tower Opens in Charlotte

The doors are open to our Bank of America Tower in Uptown Charlotte. The tower builds on our presence in Charlotte and adds to the beautiful skyline of our headquarters city. It’s located at 620 S. Tryon Street, about six blocks from the Bank of America Corporate Center.

Inside, Bank of America teammates will occupy 22 of the 33 floors. In addition to office space, there will be a new financial center opening on the ground floor.

Teammates in Consumer & Small Business, and teammates from Global Banking & Markets and Wealth Management will be housed in the tower. The move to locate these teammates to one building is designed to support collaboration and help deliver one company to our customers, clients and communities.
Get to Know Retiree Allen Blevins on His Second Career with Bank of America

It’s sometimes said that “absence makes the heart grow fonder” for friends who have been separated from their once close relationship. While the fondness between Allen Blevins and his Bank of America teammates never left when he retired from the company, Blevins was ready to move on to his next adventure.

That is until, after nearly two years had passed, Blevins began to miss the teamwork, projects and overall structure that he enjoyed in his previous role as historian and director of arts and heritage programs. While retired, he stayed connected to the company and published The Bank that Built: The Story of Bank of America and Charlotte, a book that chronicles the company’s history and role in developing its headquarters city through historical photography and stories from prominent residents, along with retired and current bank executives.

And that’s when an opportunity came along to return to work at Bank of America.

Part-time Work, Full-time Enjoyment

“This chance not only came at the right time, but it also allowed me to incorporate my passion of working closely with the arts community,” Blevins said. In his new role as market strategy executive for wealth management in North Carolina, Blevins is helping deliver on our purpose to help make financial lives better, with a focus on our retired employees and individuals with a passion for the arts.

“Many of our retired employees continue to be active community leaders, so it’s easy for me to talk with them about local initiatives and represent the company,” he said. “When they have a need or want to make a potential customer or client referral, I can personally connect them to a bank teammate who can help.”

While Blevins is excited to be back among his many friends and teammates, he also wanted to keep some of the flexibility that he enjoyed in early retirement. Blevins is back in a part-time role so that he has time to continue his pro bono work with artists and the arts community.

“I enjoy keeping busy by supporting artists and arts organizations in Charlotte and even around the world,” Blevins said. Earlier this year, he organized and curated an art exhibition in Mexico City. “This opportunity sustain a balance that’s right for me. I feel like I have a lot to offer, in helping develop business for the company and supporting the arts community around me.”

He’s not sure how long he’ll work before retiring again, but Blevins will surely continue building on his legacy with the company and creating more fond memories for himself and all those around him.

To learn more about our heritage, visit about.bankofamerica.com.

Check Out Available Retiree Benefits and Programs

As part of Bank of America’s commitment to financial wellness, we are announcing a special discounted AARP membership to all U.S.-based Bank of America retirees (the same as available to our employees). Get a new two-year AARP membership for just $20 — that’s 38% lower than the standard rate — and enjoy these benefits:

• Access to the latest information with AARP Magazine, AARP Bulletin and AARPin
• Free access for your spouse or partner

The benefits are a great complement to the rewards you already get with Preferred Rewards — as an employee or retiree you have access to Preferred Rewards Platinum tier benefits without the balance requirement. All you need to enroll is a Bank of America eligible checking account. If you are not a Preferred member, contact a specialist at 800.695.6262 or visit your local financial center.

Save $10 or 3% with a No-fee Balance Transfer

Retirees can now enjoy the benefit of paying $0 in transfer fees on balance transfers to an unsecured Bank of America employee credit card within our employee suite1 or on direct deposits and check cash advances from your credit card. That’s a savings of $10 or 3% of each transaction, whichever is greater.

1 Employee credit card product suite only. Excludes Affinity and credit cards booked outside of Employee Financial Services.
Recognition Highlights Q3 2019

Delivering for Employees

Seven executives from our company were featured and recognized in American Banker’s Most Powerful Women in Banking™ for their leadership.

**Most Powerful Women in Banking**
- No. 1 Cathy Bessant, Chief Operations & Technology Officer
- No. 5 Anne Finucane, Vice Chairman
- No. 10 Andrea Smith, Chief Administrative Officer
- No. 16 Anne Clarke Wolff, Head of Global Corporate Banking and Global Leasing

**Most Powerful Women in Finance**
- No. 6 Candace Browning Platt, Head of BofA Merrill Lynch Global Research
- No. 14 Katy Knox, President, Private Bank

**Women to Watch**
- No. 15 Sharon Miller, Head of Small Business

Delivering for Clients

Bank of America is first in Institutional Investor’s Fixed Income Research rankings.

Ranked Among J.D. Power’s Top U.S. Primary Mortgage Servicers.

Delivering for Communities

Our leadership in innovative financing solutions for affordable housing was recognized by Fortune magazine on its 2019 Change the world list.
Endnotes

Endnote A
Our financial results, after giving effect to the impact of the non-cash impairment charge related to the notice of termination of the merchant services joint venture at the conclusion of its current term, include non-GAAP financial measures. This impairment charge reduced 3Q19 net income by $1.7 billion, or $0.19 per diluted share, which included an increase in noninterest expense and a reduction in pretax income of $2.1 billion and a reduction in income tax expense of $373 million.

Endnote B
We also measure net interest income on an FTE basis, which is a non-GAAP financial measure. FTE basis is a performance measure used in operating the business that management believes provides investors a more accurate picture of the interest margin for comparative purposes. We believe that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices. Net interest income on an FTE basis was $12.3 billion and $12.2 billion for the three months ended September 30, 2019 and 2018. The FTE adjustment was $148 million and $151 million for the three months ended September 30, 2019 and September 30, 2018.

Endnote C
Global Markets revenue and net income, excluding net debit valuation adjustments (DVA), and sales and trading revenue, excluding net DVA, are non-GAAP financial measures. Net DVA (losses) were $(15) million and $(99) million for the three months ended September 30, 2019 and September 30, 2018. FICC net DVA (losses) were $(18) million and $(80) million for the three months ended September 30, 2019 and September 30, 2018. Equities net DVA gains (losses) were $3 million and $(19) million for the three months ended September 30, 2019 and September 30, 2018.

Reconciliation of GAAP And Non-GAAP Financial Measures

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>Third Quarter 2019</th>
<th>Third Quarter 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and trading revenue</td>
<td>$3,204</td>
<td>$2,987</td>
</tr>
<tr>
<td>Net DVA losses (gains)</td>
<td>15</td>
<td>99</td>
</tr>
<tr>
<td>Sales and trading revenue, excluding net DVA</td>
<td>3,219</td>
<td>3,086</td>
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<tr>
<td>Equities sales and trading revenue</td>
<td>$1,148</td>
<td>$998</td>
</tr>
<tr>
<td>Net DVA losses (gains)</td>
<td>(3)</td>
<td>19</td>
</tr>
<tr>
<td>Equities sales and trading revenue, excluding net DVA</td>
<td>1,145</td>
<td>1,017</td>
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<tr>
<td>Fixed-income, currency and commodities sales trading revenue</td>
<td>$2,056</td>
<td>$1,989</td>
</tr>
<tr>
<td>Net DVA losses (gains)</td>
<td>18</td>
<td>80</td>
</tr>
<tr>
<td>Fixed-income, currency and commodities sales trading revenue, excluding net DVA</td>
<td>2,074</td>
<td>2,069</td>
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</tbody>
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