### Structured Note: Non-Callable Range Accrual Note

\*\*Issuer\*\*: Synch BV ("MILBV")

\*\*Guarantor\*\*: Bank of America Corp.

\*\*Structure\*\*: Non-Callable Range Accrual Note with Fixed Coupon

\*\*Currency\*\*: USD

\*\*Coupon Frequency\*\*: Annual (30/360)

\*\*Reference Index\*\*: USD SOFR CMS 30Y - USD SOFR CMS 2Y

\*\*Reference Index Range\*\*: 30Y - 2Y spread > 0.50%

\*\*Tenor\*\*: 3 years

\*\*Coupon Payoff\*\*:

- \*\*Year 1\*\*: 7.00%

- \*\*Year 2\*\*: 7.50%

- \*\*Year 3\*\*: 8.00%

- For each year, if the 30Y - 2Y spread is greater than 0.50% for at least 75% of the days in the year, the full coupon is paid. If the condition is not met, the coupon is reduced proportionally to the number of days the condition is met.

### Suggested Payoff

\*\*Payoff Formula\*\*:

- For Year 1: \( \text{Coupon}\_{\text{Y1}} = 7.00\% \times \left( \frac{N\_{\text{in}}}{N\_{\text{total}}} \right) \)

- For Year 2: \( \text{Coupon}\_{\text{Y2}} = 7.50\% \times \left( \frac{N\_{\text{in}}}{N\_{\text{total}}} \right) \)

- For Year 3: \( \text{Coupon}\_{\text{Y3}} = 8.00\% \times \left( \frac{N\_{\text{in}}}{N\_{\text{total}}} \right) \)

Where:

- \( N\_{\text{in}} \) = Number of days the 30Y - 2Y spread is > 0.50%

- \( N\_{\text{total}} \) = Total number of days in the year

### Target Clients

\*\*Type of Clients\*\*:

1. \*\*Institutional Investors\*\*: Pension funds, insurance companies, and asset managers looking for yield enhancement in a high-interest-rate environment.

2. \*\*High Net Worth Individuals (HNWIs)\*\*: Seeking higher returns with a clear understanding of the underlying index dynamics.

3. \*\*Corporate Treasuries\*\*: Companies aiming to optimize their cash management strategies with products offering higher returns.

\*\*Why They Would Buy This Structured Note\*\*:

1. \*\*Yield Enhancement\*\*: Offers attractive coupon rates compared to traditional fixed-income products.

2. \*\*Interest Rate Environment\*\*: In a high-interest-rate environment, investors seek products that can offer competitive returns without the callable feature.

3. \*\*Controlled Risk\*\*: The range accrual structure provides higher returns when the spread condition is met, making it appealing for those with a higher risk tolerance.

### Macro Conditions

\*\*Current Macro Conditions\*\*:

1. \*\*High Interest Rate Environment\*\*: Central banks have raised interest rates to combat inflation, leading to higher yields in fixed-income products.

2. \*\*Economic Uncertainty\*\*: Increased volatility in interest rates and spreads, making structured products with clear payoff conditions attractive.

3. \*\*Yield Curve Dynamics\*\*: The shape and movement of the yield curve are crucial, with a focus on the spread between long-term and short-term rates.

### Pricing the Structured Note

\*\*Indicative Pricing\*\*:

- Year 1: 7.00%

- Year 2: 7.50%

- Year 3: 8.00%

\*\*Factors Influencing Pricing\*\*:

1. \*\*Interest Rate Levels\*\*: Current high-interest rates will influence the attractiveness and competitive pricing of the note.

2. \*\*Volatility\*\*: Historical and expected volatility of the 30Y - 2Y spread will impact the potential payout and risk assessment.

3. \*\*Forward Spread\*\*: The expected forward spread of the 30Y - 2Y will be crucial in determining the likelihood of the coupon being paid out fully.

### Conclusion

This non-callable 3-year Range Accrual Note is structured to attract institutional investors, high net worth individuals, and corporate treasuries looking for yield enhancement in a high-interest-rate environment. By offering attractive coupon rates with a range accrual feature, this structured note leverages current macroeconomic conditions to provide an appealing investment option.