

BofA Finance LLC
Form 424B2
February 10, 2017

**Filed Pursuant to Rule 424(b)(2)
Registration Statement No.
333-213265
(To Prospectus dated November
4, 2016,
Prospectus Supplement dated
November 4, 2016 and
Product Supplement
STOCK-OL-1
dated January 24, 2017)**

475,000 Units	Pricing Date	February 8, 2017
\$10 principal amount per unit	Settlement Date	February 15, 2017
CUSIP No. 097096192	Maturity Date	February 26, 2018

BofA Finance LLC

Notes Linked to a Basket of Stocks

Fully and Unconditionally Guaranteed by Bank of America Corporation

Maturity of approximately one year and one week

A conditional payment of \$1.651 per unit if the Basket is flat or increases above the Starting Value

The Basket is comprised of the common stocks of Amazon.com, Inc., Steel Dynamics, Inc., General Dynamics Corporation, JPMorgan Chase & Co. and Frontier Communications Corporation (each, a **Basket Stock**). Each Basket Stock was given an equal weight

1-to-1 downside exposure to decreases in the Basket, with 100% of your investment at risk

All payments occur at maturity and are subject to the credit risk of BofA Finance LLC, as issuer of the notes, and the credit risk of Bank of America Corporation, as guarantor of the notes

No periodic interest payments

In addition to the underwriting discount set forth below, the notes include a hedging-related charge of \$0.075 per unit. See **Structuring the Notes** .

Limited secondary market liquidity, with no exchange listing

The notes are being issued by BofA Finance LLC (**BofA Finance) and are fully and unconditionally guaranteed by Bank of America Corporation (**BAC**). There are important differences between the notes and a conventional debt security, including different investment risks and certain additional costs. See **Risk Factors** beginning on page TS-6 of this term sheet, page PS-6 of product supplement STOCK-OL-1, page S-4 of the accompanying Series A MTN prospectus supplement and page 7 of the accompanying prospectus.**

The initial estimated value of the notes as of the pricing date is \$9.78 per unit, which is less than the public offering price listed below. See **Summary** on the following page, **Risk Factors** beginning on page TS-6 of this term sheet and **Structuring the Notes** on page TS-16 of this term sheet for additional information. The actual value of your notes at any time will reflect many factors and cannot be predicted with accuracy.

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None of the Securities and Exchange Commission (the SEC), any state securities commission, or any other regulatory body has approved or disapproved of these securities or determined if this Note Prospectus (as defined below) is truthful or complete. Any representation to the contrary is a criminal offense.

	<u>Per Unit</u>	<u>Total</u>
Public offering price	\$10.000	\$4,750,000.00
Underwriting discount	\$0.175	\$83,125.00
Proceeds, before expenses, to BofA Finance	\$9.825	\$4,666,875.00

The notes and the related guarantee:

**Are Not FDIC
Insured**

**Are Not Bank
Guaranteed**

May Lose Value

Merrill Lynch & Co.

February 8, 2017

Notes Linked to a Basket of Stocks, due February 26, 2018

Summary

The Notes Linked to a Basket of Stocks, due February 26, 2018 (the **notes**) are our senior unsecured debt securities. Payments on the notes are fully and unconditionally guaranteed by BAC. The notes and the related guarantee are not insured by the Federal Deposit Insurance Corporation or secured by collateral. **The notes will rank equally with all of BofA Finance’s other unsecured and unsubordinated debt, and the related guarantee will rank equally with all of BAC’s other unsecured and unsubordinated obligations. Any payments due on the notes, including any repayment of principal, will be subject to the credit risk of BofA Finance, as issuer, and BAC, as guarantor.** If the Ending Value of the Market Measure, which is a basket of five common stocks described below (the **Basket**), is at or above the Starting Value, the notes will provide a payment at maturity of the principal amount per unit plus an additional fixed payment of \$1.651 per unit. If the Ending Value is less than the Starting Value, the Redemption Amount will be less than the principal amount of your notes, and may be as low as zero. Payments on the notes, including the amount you receive at maturity, will be calculated based on the \$10 principal amount per unit and will depend on the performance of the Basket, subject to our and BAC’s credit risk. See **Terms of the Notes** below. The Basket is comprised of the common stocks of Amazon.com, Inc., Steel Dynamics, Inc., General Dynamics Corporation, JPMorgan Chase & Co. and Frontier Communications Corporation (each, a **Basket Stock**). Each Basket Stock was given an equal weight.

The economic terms of the notes (including the Conditional Payment) are based on BAC’s internal funding rate, which is the rate it would pay to borrow funds through the issuance of market-linked notes and the economic terms of certain related hedging arrangements. BAC’s internal funding rate is typically lower than the rate it would pay when it issues conventional fixed or floating rate debt securities. This difference in funding rate, as well as the underwriting discount and the hedging related charge described below, reduced the economic terms of the notes to you and the initial estimated value of the notes on the pricing date. Due to these factors, the public offering price you pay to purchase the notes is greater than the initial estimated value of the notes.

On the cover page of this term sheet, we have provided the initial estimated value for the notes. This initial estimated value was determined based on our, BAC’s and our other affiliates’ pricing models, which take into consideration BAC’s internal funding rate and the market prices for the hedging arrangements related to the notes. For more information about the initial estimated value and the structuring of the notes, see **Structuring the Notes** on page TS-16.

Terms of the Notes

Redemption Amount Determination

Issuer:	BofA Finance LLC (BofA Finance)
Guarantor:	Bank of America Corporation (BAC)
Principal Amount:	\$10.00 per unit
Term:	Approximately one year and one week
Market Measure:	An equally weighted basket of stocks comprised of Amazon.com, Inc. (NASDAQ symbol: AMZN), Steel Dynamics, Inc. (NASDAQ symbol: STLD), General

	Dynamics Corporation (NYSE symbol: GD), JPMorgan Chase & Co. (NYSE symbol: JPM) and Frontier Communications Corporation (NASDAQ symbol: FTR) (each, a Basket Stock).
Starting Value:	100.00
Ending Value:	The value of the Basket on the calculation day.
Calculation Day:	February 16, 2018. The calculation day is subject to postponement in the event of Market Disruption Events, as described beginning on page PS-19 of product supplement STOCK-OL-1.
Conditional Payment:	\$1.651 per unit, representing a return of 16.51% of the principal amount.
Threshold Value:	100.00 (100% of the Starting Value).
Price Multiplier:	1 for each Basket Stock, subject to adjustment for certain corporate events relating to the Basket Stocks described beginning on page PS-20 of product supplement STOCK-OL-1.
Fees and Charges:	The underwriting discount of \$0.175 per unit listed on the cover page and the hedging related charge of \$0.075 per unit described in Structuring the Notes on page TS-16.
Calculation Agent:	Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S), an affiliate of BofA Finance.

Notes Linked to a Basket of Stocks, due February 26, 2018

The terms and risks of the notes are contained in this term sheet and in the following:

Product supplement STOCK-OL-1 dated January 24, 2017:

<http://www.sec.gov/Archives/edgar/data/70858/000119312517016284/d523982d424b5.htm>

Series A MTN prospectus supplement dated November 4, 2016 and prospectus dated November 4, 2016:

<http://www.sec.gov/Archives/edgar/data/70858/000119312516760144/d266649d424b3.htm>

These documents (together, the Note Prospectus) have been filed as part of a registration statement with the SEC, which may, without cost, be accessed on the SEC website as indicated above or obtained from MLPF&S by calling 1-800-294-1322. Before you invest, you should read the Note Prospectus, including this term sheet, for information about us, BAC and this offering. Any prior or contemporaneous oral statements and any other written materials you may have received are superseded by the Note Prospectus. Capitalized terms used but not defined in this term sheet have the meanings set forth in product supplement STOCK-OL-1. Unless otherwise indicated or unless the context requires otherwise, all references in this document to we, us, our, or similar references are to BofA Finance, and not to BAC.

Investor Considerations

You may wish to consider an investment in the notes if:	The notes may not be an appropriate investment for you if:
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You anticipate that the Ending Value will be equal to or greater than the Starting Value.	You believe that the value of the Basket will decrease from the Starting Value to the Ending Value.
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You accept that the return on the notes will be limited to the return represented by the Conditional Payment.	You seek an uncapped return on your investment.
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You accept that your investment will result in a loss, which could be significant, if the Ending Value is below the Starting Value.	You seek principal repayment or preservation of capital.
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You are willing to forgo the interest payments that are paid on conventional interest bearing debt securities.	You seek interest payments or other current income on your investment.
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You are willing to forgo the dividends or other benefits paid on the Basket Stocks. You seek an investment for which there will be a liquid secondary market.	You want to receive dividends or other distributions paid on the Basket Stocks. You seek an investment for which there will be a liquid secondary market.
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You are willing to forgo dividends or other benefits of owning shares of the Basket Stocks.	You are unwilling or are unable to take market risk on the notes, to take our credit risk as issuer of the notes or to take BAC's credit risk, as guarantor of the notes.
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You are willing to accept a limited or no market for sales prior to maturity, and understand that the market prices for the notes, if any, will be affected by various factors, including our and BAC's actual and perceived creditworthiness, BAC's internal funding rate and fees and charges on the notes.	You are unwilling or are unable to take market risk on the notes, to take our credit risk as issuer of the notes or to take BAC's credit risk, as guarantor of the notes.
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You are willing to assume our credit risk, as issuer of the notes, and BAC's credit risk, as guarantor of the notes, for all payments under the notes, including the Redemption Amount.

We urge you to consult your investment, legal, tax, accounting and other advisors before you invest in the notes.

Notes Linked to a Basket of Stocks, due February 26, 2018

Hypothetical Payout Profile and Examples of Payments at Maturity

This graph reflects the returns on the notes based on the Conditional Payment of \$1.651 per unit. The green line reflects the returns on the notes, while the dotted gray line reflects the returns of a direct investment in the Basket Stocks, excluding dividends.

This graph has been prepared for purposes of illustration only.

Hypothetical Payments at Maturity

The following table and examples are for purposes of illustration only. They are based on **hypothetical** values and show **hypothetical** returns on the notes. They illustrate the calculation of the Redemption Amount and total rate of return based on the Starting Value of 100, the Threshold Value of 100, the Conditional Payment of \$1.651 per unit and a range of hypothetical Ending Values. **The actual amount you receive and the resulting total rate of return will depend on the actual Ending Value and whether you hold the notes to maturity.** The following examples do not take into account any tax consequences from investing in the notes.

Ending Value	Percentage Change from the Starting Value to the Ending Value	Redemption Amount per Unit	Total Rate of Return on the Notes
50.00	-50.00%	\$5.000	-50.00%
60.00	-40.00%	\$6.000	-40.00%
70.00	-30.00%	\$7.000	-30.00%
80.00	-20.00%	\$8.000	-20.00%
90.00	-10.00%	\$9.000	-10.00%
95.00	-5.00%	\$9.500	-5.00%
98.00	-2.00%	\$9.800	-2.00%
100.00 ⁽¹⁾	0.00%	\$11.651 ⁽²⁾	16.51%
102.00	2.00%	\$11.651	16.51%
105.00	5.00%	\$11.651	16.51%
110.00	10.00%	\$11.651	16.51%
120.00	20.00%	\$11.651	16.51%
130.00	30.00%	\$11.651	16.51%
140.00	40.00%	\$11.651	16.51%
150.00	50.00%	\$11.651	16.51%

(1) The Starting Value and the Threshold Value were set to 100.00 on the pricing date.

(2) The Redemption Amount per unit cannot exceed the sum of the principal amount and the Conditional Payment. For **hypothetical** historical values of the Basket, see The Basket section below. For recent actual prices of the Basket Stocks, see The Basket Stocks section below. The Ending Value will not include any income generated by dividends paid on the Basket Stocks, which you would otherwise be entitled to receive if you invested in those stocks directly. In addition, all payments on the notes are subject to issuer and guarantor credit risk.

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Notes Linked to a Basket of Stocks, due February 26, 2018

Redemption Amount Calculation Examples

Example 1

The Ending Value is 80.00, or 80.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 80.00

= **\$8.00** Redemption Amount per unit

Example 2

The Ending Value is 105.00, or 105.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 105.00

\$10 + \$1.651 = **\$11.651** Redemption Amount per unit

Example 3

The Ending Value is 130.00, or 130.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 130.00

\$10 + \$1.651 = **\$11.651** Redemption Amount per unit

In this example, even though the Ending Value is significantly higher than the Starting Value, your return on the notes will be limited to the return represented by the Conditional Payment.

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Notes Linked to a Basket of Stocks, due February 26, 2018

Risk Factors

There are important differences between the notes and a conventional debt security. An investment in the notes involves significant risks, including those listed below. You should carefully review the more detailed explanation of risks relating to the notes in the Risk Factors sections beginning on page PS-6 of product supplement STOCK-OL-1, page S-4 of the Series A MTN prospectus supplement and page 7 of the prospectus identified above.

We also urge you to consult your investment, legal, tax, accounting and other advisors before you invest in the notes.

Depending on the performance of the Basket as measured shortly before the maturity date, your investment may result in a loss; there is no guaranteed return of principal.

Your return on the notes may be less than the yield you could earn by owning a conventional fixed or floating rate debt security of comparable maturity.

Your investment return is limited to the return represented by the Conditional Payment and may be less than a comparable investment in the Basket Stocks.

Payments on the notes are subject to our credit risk, and the credit risk of BAC, and actual or perceived changes in our or BAC's creditworthiness are expected to affect the value of the notes. If we and BAC become insolvent or are unable to pay our respective obligations, you may lose your entire investment.

We are a finance subsidiary and, as such, will have limited assets and operations.

BAC's obligations under its guarantee of the notes will be structurally subordinated to liabilities of its subsidiaries.

The notes issued by us will not have the benefit of any cross-default or cross-acceleration with other indebtedness of BofA Finance or BAC: events of bankruptcy or insolvency or resolution proceedings relating to BAC and covenant breach by BAC will not constitute an event of default with respect to the notes.

The initial estimated value of the notes considers certain assumptions and variables and relies in part on certain forecasts about future events, which may prove to be incorrect. The initial estimated value of the notes is an estimate only, determined as of a particular point in time by reference to our and our affiliates' pricing models.

These pricing models consider certain assumptions and variables, including our credit spreads and those of BAC, BAC's internal funding rate on the pricing date, mid-market terms on hedging transactions, expectations on interest rates and volatility, price-sensitivity analysis, and the expected term of the notes. These pricing models rely in part on certain forecasts about future events, which may prove to be incorrect.

The public offering price you pay for the notes exceeds the initial estimated value. If you attempt to sell the notes prior to maturity, their market value may be lower than the price you paid for them and lower than the initial estimated value. This is due to, among other things, changes in the value of the Basket, BAC's internal funding rate, and the inclusion in the public offering price of the underwriting discount and the hedging related charge, all as further described in Structuring the Notes on page TS-16. These factors, together with various credit, market and economic factors over the term of the notes, are expected to reduce the price at which you may be able to sell the notes in any secondary market and will affect the value of the notes in complex and unpredictable ways.

The initial estimated value does not represent a minimum or maximum price at which we, BAC, MLPF&S or any of our other affiliates would be willing to purchase your notes in any secondary market (if any exists) at any time. The value of your notes at any time after issuance will vary based on many factors that cannot be predicted with accuracy, including the performance of the Basket, our and BAC's creditworthiness and changes in market conditions.

A trading market is not expected to develop for the notes. None of us, BAC or MLPF&S is obligated to make a market for, or to repurchase, the notes. There is no assurance that any party will be willing to purchase your notes at any price in any secondary market.

BAC and its affiliates' hedging and trading activities (including trades in shares of the Basket Stocks) and any hedging and trading activities BAC or its affiliates engage in that are not for your account or on your behalf, may affect the market value and return of the notes and may create conflicts of interest with you.

The Underlying Companies will have no obligations relating to the notes, and neither we nor MLPF&S will perform any due diligence procedures with respect to any Underlying Company in connection with this offering.

Changes in the price of one of the Basket Stocks may be offset by changes in the prices of the other Basket Stocks.

You will have no rights of a holder of the Basket Stocks, and you will not be entitled to receive shares of the Basket Stocks or dividends or other distributions by the Underlying Companies.

While BAC and our affiliates may from time to time own securities of the Underlying Companies, we, BAC and our other affiliates do not control any Underlying Company, and have not verified any disclosures made by any Underlying Company.

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Notes Linked to a Basket of Stocks, due February 26, 2018

The payment on the notes will not be adjusted for all corporate events that could affect a Basket Stock. See

Description of the Notes—Anti-Dilution Adjustments beginning on page PS-20 of product supplement STOCK-OL-1.

There may be potential conflicts of interest involving the calculation agent, which is an affiliate of ours. We have the right to appoint and remove the calculation agent.

The U.S. federal income tax consequences of the notes are uncertain, and may be adverse to a holder of the notes.

See Summary Tax Consequences below and U.S. Federal Income Tax Summary beginning on page PS-30 of product supplement STOCK-OL-1.

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Notes Linked to a Basket of Stocks, due February 26, 2018

The Basket

The Basket is designed to allow investors to participate in the percentage changes of the Basket from the Starting Value to the Ending Value. The Basket Stocks are described in the section entitled "The Basket Stocks" below. Each Basket Stock was assigned an initial weight on the pricing date, as set forth in the table below.

For more information on the calculation of the value of the Basket, please see the section entitled "Description of the Notes—Basket Market Measures" beginning on page PS-26 of product supplement STOCK-OL-1.

On the pricing date, for each Basket Stock, the Initial Component Weight, the Closing Market Price, the Component Ratio and the initial contribution to the Basket value were as follows:

Basket Stock	Bloomberg Symbol	Initial Component Weight	Closing Market Price⁽¹⁾
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