

BofA Finance LLC
 Form 424B2
 July 20, 2018

**Filed Pursuant to Rule 424(b)(2)
 Registration Statement No.
 333-213265
 (To Prospectus dated November 4,
 2016, and
 Prospectus Supplement dated
 November 4, 2016)**

This amended and restated pricing supplement amends and restates in full the pricing supplement dated May 24, 2018 for CUSIP No. 097097620 to correct an error in the component ratios.

2,801,655 Units	Pricing Date	May 24, 2018
\$10 principal amount per unit	Settlement Date	June 1, 2018
CUSIP No. 097097620	Maturity Date	June 1, 2020

**BofA Finance LLC
 Market-Linked Step Up Notes Linked to an International Equity Index and ETF Basket
 Fully and Unconditionally Guaranteed by Bank of America Corporation**

Maturity of approximately 2 years

If the Basket is flat or increases up to the Step Up Value, a return of 18.15%

If the Basket increases above the Step Up Value, a return equal to the percentage increase in the Basket

The Basket is comprised of the Hang Seng[®] Index, the Nikkei Stock Average Index, the Taiwan Stock Exchange Weighted Index, the Korea Stock Exchange KOSPI 200 Index, the iShares[®] MSCI India ETF and the WisdomTree India Earnings Fund. The Hang Seng[®] Index was given an initial weight of 35.00%, the Nikkei Stock Average Index was given an initial weight of 30.00%, each of the Taiwan Stock Exchange Weighted Index, the Korea Stock Exchange KOSPI 200 Index and the iShares[®] MSCI India ETF were given an initial weight of 10.00%, and the WisdomTree India Earnings Fund was given an initial weight of 5.00%

1-to-1 downside exposure to decreases in the Basket, with up to 100% of your principal 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 PS-6 of this pricing supplement, 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 \$9.6211 per unit, which is less than the public offering price listed below. See Summary on the following page, Risk Factors beginning on page PS-6 of this pricing supplement and Structuring the Notes on page PS-36 of this pricing supplement for additional information. The actual value of your notes at any time will reflect many factors and cannot be predicted with accuracy.

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 ⁽¹⁾	\$10.00	\$27,986,399.25
Underwriting discount ⁽¹⁾	\$ 0.20	\$ 530,180.25
Proceeds, before expenses, to BofA Finance	\$ 9.80	\$27,456,219.00

The public offering price and underwriting discount for an aggregate of 603,015 units purchased in a transaction (1) of 500,000 units or more by an individual investor will be \$9.95 per unit and \$0.15 per unit, respectively. See Supplement to the Plan of Distribution; Conflicts of Interest below.

The notes and the related guarantee:

**Are Not FDIC
Insured**

**Are Not Bank
Guaranteed**

May Lose Value

Merrill Lynch & Co.

May 24, 2018

Market-Linked Step Up Notes

Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

Summary

The Market-Linked Step Up Notes Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020 (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.** The notes provide you with a Step Up Payment if the Ending Value of the Market Measure, which is the international equity index basket described below (the Basket), is equal to or greater than its Starting Value, but is not greater than the Step Up Value. If the Ending Value is greater than the Step Up Value, you will participate on a 1-for-1 basis in the increase in the level of the Basket above the Starting Value. If the Ending Value is less than the Starting Value, you will lose all or a portion of the principal amount of your notes. Any payments on the notes 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 Hang Seng® Index, the Nikkei Stock Average Index, the Taiwan Stock Exchange Weighted Index, the Korea Stock Exchange KOSPI 200 Index, the iShares® MSCI India ETF and the WisdomTree India Earnings Fund (each a Basket Component). We refer to each of the first four Basket Components described in the preceding sentence as an Index, and to each of the other two Basket Components as an ETF. On the pricing date, Hang Seng® Index was given an initial weight of 35.00%, the Nikkei Stock Average Index was given an initial weight of 30.00%, each of the Taiwan Stock Exchange Weighted Index, the Korea Stock Exchange KOSPI 200 Index and the iShares® MSCI India ETF were given an initial weight of 10.00%, and the WisdomTree India Earnings Fund was given an initial weight of 5.00%.

The economic terms of the notes (including the Step Up 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 will be greater than the initial estimated value of the notes.

On the cover page of this pricing supplement, 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 PS-36.

Terms of the Notes

Issuer:	BofA Finance LLC (BofA Finance)	Redemption Amount Determination	On the maturity date, you will receive a cash payment per unit determined as follows:
Guarantor:	Bank of America Corporation (BAC)		
Principal Amount:	\$10.00 per unit		
Term:	Approximately 2 years		
Market Measure:	An international equity index basket comprised of the Hang Seng Index (Bloomberg symbol: HSI), the Nikkei Stock Average Index (Bloomberg symbol: NKY), the Taiwan Stock Exchange		

Starting Value:	Weighted Index (Bloomberg symbol: TWSE), the Korea Stock Exchange KOSPI 200 Index (Bloomberg symbol: KOSPI2), the iShafeMSCI India ETF (Bloomberg symbol: INDA) and the WisdomTree India Earnings Fund (Bloomberg symbol: EPI).
Ending Value:	100.00
Step Up Value:	The value of the Market Measure on the scheduled calculation day, determined as set forth on page PS-12 below. The calculation day is subject to postponement in the event of Market Disruption Events, as described in Description of the Notes on page PS-29 of this pricing supplement.
Step Up Payment:	118.50 (118.50% of the Starting Value). \$1.815 per unit, which represents a return of 18.15% over the principal amount.
Threshold Value:	100.00 (100% of the Starting Value).
Calculation Day:	May 22, 2020
Fees and Charges:	The underwriting discount of \$0.20 per unit listed on the cover page and the hedging related charge of \$0.075 per unit described in Structuring the Notes on page PS-36.
Calculation Agent:	Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S), an affiliate of BofA Finance.

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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The terms and risks of the notes are contained in this pricing supplement and in the following:

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

<https://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 pricing supplement, 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. 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:**

You anticipate that the value of the Basket will increase from the Starting Value to the Ending Value.

You believe that the value of the Basket will decrease from the Starting Value to the Ending Value.

You are willing to risk a loss of principal and return if the value of the Basket decreases from the Starting Value to the Ending Value.

You seek principal repayment or preservation of capital.

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.

You are willing to forgo dividends or other benefits of owning shares of the ETFs or the stocks represented by the Basket Components.

You want to receive dividends or other distributions paid on shares of the ETFs or the stocks included in the Basket Components.

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 seek an investment for which there will be a liquid secondary market.

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.

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.

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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

Hypothetical Payout Profile and Examples of Payments at Maturity

Market-Linked Step Up Notes

This graph reflects the returns on the notes, based on the Threshold Value of 100% of the Starting Value, the Step Up Payment of \$1.815 per unit and the Step Up Value of 118.15% of the Starting Value. The green line reflects the returns on the notes, while the dotted gray line reflects the returns of a direct investment in the ETFs or the stocks represented by the Basket Components, excluding dividends.

This graph has been prepared for purposes of illustration only.

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 Step Up Value of 118.15, the Step Up Payment of \$1.815 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.

For recent **hypothetical** values of the Basket, see The Basket section below. For recent actual values of the Basket Components, see The Basket Components section below. The Ending Value will not include any income generated by dividends paid on the ETFs or the stocks included in any of the Indices, which you would otherwise be entitled to receive if you invested in those securities directly. In addition, all payments on the notes are subject to issuer and guarantor credit risk.

Ending Value	Percentage Change from the Starting Value to the Ending Value	Redemption Amount per Unit	Total Rate of Return on the Notes
0.00	-100.00%	\$0.000	-100.00%
50.00	-50.00%	\$5.000	-50.00%
80.00	-20.00%	\$8.000	-20.00%
90.00	-10.00%	\$9.000	-10.00%
94.00	-6.00%	\$9.400	-6.00%
97.00	-3.00%	\$9.700	-3.00%
100.00 ⁽¹⁾⁽²⁾	0.00%	\$11.815 ⁽³⁾	18.15%
102.00	2.00%	\$11.815	18.15%
105.00	5.00%	\$11.815	18.15%
110.00	10.00%	\$11.815	18.15%
118.15	18.15%	\$11.815	18.15%
120.00	20.00%	\$12.000	20.00%
130.00	30.00%	\$13.000	30.00%
132.00	32.00%	\$13.200	32.00%
140.00	40.00%	\$14.000	40.00%
150.00	50.00%	\$15.000	50.00%
160.00	60.00%	\$16.000	60.00%

(1) The Starting Value was set to 100.00 on the pricing date.

(2) This is the Threshold Value.

(3) This amount represents the sum of the principal amount and the Step Up Payment of \$1.815.

(4) This is the Step Up Value.
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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

Redemption Amount Calculation Examples

Example 1

The Ending Value is 90.00, or 90.00% of the Starting Value:

Starting Value: 100.00

Threshold Value: 100.00

Ending Value: 90.00

Redemption Amount per unit

Example 2

The Ending Value is 110.00, or 110.00% of the Starting Value:

Starting Value: 100.00

Step Up Value: 118.15

Ending Value: 110.00

Redemption Amount per unit, *the principal amount plus the Step Up Payment, since the Ending Value is equal to or greater than the Starting Value, but less than the Step Up Value.*

Example 3

The Ending Value is 132.00, or 132.00% of the Starting Value:

Starting Value: 100.00

Step Up Value: 118.15

Ending Value: 132.00

Redemption Amount per unit

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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 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.

General Risks Relating to the Notes

Your investment may result in a loss; there is no guaranteed return of principal. There is no fixed principal repayment amount on the notes at maturity. The return on the notes will be based on the performance of the Basket and therefore, you may lose all or a significant portion of your investment if the value of the Basket decreases from the Starting Value to the Ending Value. If the Ending Value is less than the Starting Value, then you will receive a Redemption Amount at maturity that will be less than the principal amount of the notes, and that could be zero.

Your return on the notes may be less than the yield on a conventional fixed or floating rate debt security of comparable maturity. There will be no periodic interest payments on the notes as there would be on a conventional fixed-rate or floating-rate debt security having the same maturity. Any return that you receive on the notes may be less than the return you would earn if you purchased a conventional debt security with the same maturity date. As a result, your investment in the notes may not reflect the full opportunity cost to you when you consider factors, such as inflation, that affect the time value of money.

Your investment return may be less than a comparable investment directly in the securities included in the Basket Components. The value of the Basket will not reflect the value of dividends paid or distributions made on the securities included in or held by the Basket Components or any other rights associated with those securities. Thus, any return on the notes will not reflect the return you would realize if you actually owned those securities. Additionally, the Basket Components include equity indices that include components traded in non-U.S. currencies. If the value of any of those currencies strengthens against the U.S. dollar during the term of the notes, you may not obtain the benefit of that increase, which you would have received if you had owned the securities included in those indices.

Payments on the notes are subject to our credit risk and the credit risk of BAC, and actual or perceived changes in our or the Guarantor's creditworthiness are expected to affect the value of the notes. The notes are our senior unsecured debt securities, the payment on which will be fully and unconditionally guaranteed by the Guarantor. The notes are not guaranteed by any entity other than the Guarantor. As a result, your receipt of the Redemption Amount is dependent upon our ability and the ability of the Guarantor to repay our obligations on the maturity date, regardless of whether the Basket increases from the Starting Value to the Ending Value. No assurance can be given as to what our financial condition will be on the maturity date. If we and the Guarantor become unable to meet our respective financial obligations as they become due, you may not receive the amounts payable under the terms of the notes.

In addition, our credit ratings and the credit ratings of the Guarantor are assessments by ratings agencies of our respective abilities to pay our obligations. Consequently, our or the Guarantor's perceived creditworthiness and actual or anticipated decreases in our or the Guarantor's credit ratings or increases in the spread between the yield on our respective securities and the yield on U.S. Treasury securities (the credit spread) prior to the maturity date may adversely affect the market value of the notes. However, because your return on the notes depends upon factors in addition to our ability and the ability of the Guarantor to pay our respective obligations, such as the value of the Basket, an improvement in our or the Guarantor's credit ratings will not reduce the other investment risks related to the notes.

We are a finance subsidiary and, as such, will have limited assets. We are a finance subsidiary of Bank of America Corporation and will have no assets, operations or revenues other than those related to the issuance, administration and repayment of our debt securities that are guaranteed by the Guarantor. As a finance subsidiary, to meet our obligations under the notes, we are dependent upon payment or contribution of funds and/ or repayment of

outstanding loans from the Guarantor and/ or its other subsidiaries. Therefore, our ability to make payments on the notes may be limited. In addition, we will have no independent assets available for distributions to holders of the notes if they make claims in respect of the notes in a bankruptcy, resolution or similar proceeding. Accordingly, any recoveries by such holders may be limited to those available under the related guarantee by the Guarantor, and that guarantee will rank equally with all other unsecured senior obligations of the Guarantor.

The Guarantor's obligations under its guarantee of the notes will be structurally subordinated to liabilities of the Guarantor's subsidiaries. Because the Guarantor is a holding company, its ability to make payments under its guarantee of our payment obligations on the notes depends upon the Guarantor's receipt from its subsidiaries of distributions, advances and other payments. In addition, the Guarantor's right to participate in any distribution of assets of any of its subsidiaries upon that subsidiary's bankruptcy, insolvency, liquidation, reorganization or similar proceeding is subject to the prior claims of creditors of that subsidiary, except to the extent the Guarantor may itself be recognized as a creditor of that subsidiary. As a result, the Guarantor's obligations under its guarantee of the notes will be structurally subordinated to all existing and future claims of creditors of its subsidiaries, and claimants should look only to the assets of the Guarantor for payments under its guarantee of the notes.

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

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benefit of any cross-default or cross-acceleration with other indebtedness of BofA Finance LLC or the Guarantor. In addition, events of bankruptcy or insolvency or resolution or similar proceedings relating to the Guarantor will not constitute an event of default with respect to the notes. Furthermore, it will not constitute an event of default with respect to the notes if the guarantee by the Guarantor ceases to be in full force and effect for any reason. Therefore, events of bankruptcy or insolvency or resolution or similar proceedings relating to the Guarantor (in the absence of any such event occurring with respect to us) will not permit the notes to be declared due and payable. In addition, a breach of a covenant by the Guarantor (including, for example, a breach of the Guarantor's covenants with respect to mergers or the sale of all or substantially all its assets), will not permit the notes to be declared due and payable. The value you receive on the notes may be significantly less than what you otherwise would have received had the notes been declared due and payable immediately upon certain events of bankruptcy or insolvency or resolution or similar proceedings relating to the Guarantor or the breach of a covenant by the Guarantor or upon the Guarantor's guarantee ceasing to be in full force and effect.

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 the Guarantor, the Guarantor'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* below. 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, the Guarantor, MLPF&S or any of our affiliates would be willing to purchase the notes in any secondary market (if any exists) at any time. The value of the 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 the Guarantor's creditworthiness and changes in market conditions.

We cannot assure you that there will be a trading market for the notes. We will not list the notes on any securities exchange. If a secondary market exists, we cannot predict how the notes will trade, or whether that market will be liquid or illiquid. The development of a trading market for the notes will depend on various factors, including the Guarantor's financial performance and changes in the value of the Basket. The number of potential buyers of the notes in any secondary market may be limited. There is no assurance that any party will be willing to purchase the notes at any price in any secondary market.

We anticipate that MLPF&S will act as a market-maker for the notes that it offers, but it is not required to do so and may cease to do so at any time. Any price at which MLPF&S may bid for, offer, purchase, or sell any of the notes may be higher or lower than the public offering price, and that price may differ from the values determined by pricing models that it may use, whether as a result of dealer discounts, mark-ups, or other transaction costs. These bids, offers, or transactions may affect the prices, if any, at which the notes might otherwise trade in the market. In addition, if at any time MLPF&S were to cease acting as a market-maker for the notes, it is likely that there would be significantly less liquidity in that secondary market. In such a case, the price at which the notes could be sold likely would be lower than if an active market existed.

Payments on the notes will not reflect changes in the value of the Basket other than on the calculation day. Changes in the value of the Basket during the term of the notes other than on the calculation day will not be reflected in the calculation of the Redemption Amount. To make that calculation, the calculation agent will refer only

to the value of the Basket on the calculation day. No other values of the Basket will be taken into account. As a result, even if the value of the Basket has increased at certain times during the term of the notes, you will receive a Redemption Amount that is less than the principal amount if the Ending Value is less than the Starting Value.

Changes in the values of one or more of the Basket Components may be offset by changes in the values of one or more of the other Basket Components. Changes in the values of one or more of the Basket Components may not correlate with changes in the values of one or more of the other Basket Components. The values of one or more Basket Components may increase, while the values of one or more of the other Basket Components may decrease or not increase as much. Therefore, in calculating the value of the Basket at any time, increases in the value of one Basket Component may be moderated or wholly offset by decreases or lesser increases in the values of one or more of the other Basket Components. Adverse changes in the values of the Basket Components which are more heavily weighted will have a greater impact upon the notes.

The respective publishers of the Indices and the indices to which the ETFs are linked (the Underlying Indices) may adjust those indices in a way that affects their levels, and these publishers have no obligation to consider your interests. The publisher of each Index and each Underlying Index can add, delete, or substitute the components included in that index or make other methodological changes that could change its level. A new security included in an index may perform significantly better or worse than the replaced security, and the performance will impact the level of that index. Additionally, an index publisher may alter, discontinue, or suspend calculation or dissemination of an index. Any of these actions could adversely affect the value of the notes. The index publishers will have no obligation to consider your interests in calculating or revising any index.

If you attempt to sell the notes prior to maturity, their market value, if any, will be affected by various factors that interrelate in complex ways, and their market value may be less than the principal amount. You have no right to have the notes redeemed at

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your option prior to maturity. If you wish to liquidate your investment in the notes prior to maturity, your only option would be to sell them. At that time, there may be an illiquid market for the notes or no market at all. Even if you were able to sell the notes, there are many factors outside of our control that may affect their market value, some of which, but not all, are stated below. The impact of any one factor may be offset or magnified by the effect of another factor. The following paragraphs describe a specific factor's expected impact on the market value of the notes, assuming all other conditions remain constant.

Value of the Basket. We anticipate that the market value of the notes prior to maturity generally will depend to a significant extent on the value of the Basket. In general, it is expected that the market value of the notes will decrease as the value of the Basket decreases, and increase as the value of the Basket increases. However, as the value of the Basket increases or decreases, the market value of the notes is not expected to increase or decrease at the same rate. If you sell the notes when the value of the Basket is less than, or not sufficiently above, the Starting Value, then you may receive less than the principal amount of the notes.

Volatility of the Basket. Volatility is the term used to describe the size and frequency of market fluctuations. Increases or decreases in the volatility of the Basket may have an adverse impact on the market value of the notes. Even if the value of the Basket increases after the pricing date, if you are able to sell the notes before their maturity date, you may receive substantially less than the amount that would be payable at maturity based on that value because of the anticipation that the value of the Basket will continue to fluctuate until the calculation day.

Economic and Other Conditions Generally. The general economic conditions of the capital markets in the United States, as well as geopolitical conditions and other financial, political, regulatory, and judicial events and related uncertainties that affect stock markets generally, may affect the values of the Basket Components and the market value of the notes. The value of the notes may also be affected by similar events in the markets of the relevant foreign countries represented by the Basket Components.

Interest Rates. We expect that changes in interest rates will affect the market value of the notes. In general, if U.S. interest rates increase, we expect that the market value of the notes will decrease, and conversely, if U.S. interest rates decrease, we expect that the market value of the notes will increase. In general, we expect that the longer the amount of time that remains until maturity, the more significant the impact of these changes will be on the value of the notes. In the case of each Basket Component, the level of interest rates in the relevant foreign countries may also affect their economies and in turn the value of the applicable Basket Component, and, thus, the market value of the notes may be adversely affected.

Dividend Yields. In general, if cumulative dividend yields on the securities represented by the Basket Components increase, we anticipate that the market value of the notes will decrease; conversely, if those dividend yields decrease, we anticipate that the market value of the notes will increase.

Exchange Rate Movements and Volatility. Changes in, and the volatility of, the exchange rates between the U.S. dollar and the relevant non-U.S. currency represented by the securities included each Basket Component could have a negative impact on the value of the notes, and the payments on the notes may depend in part on the relevant exchange rates. In addition, the correlation between the relevant exchange rate and any applicable Basket Component reflects the extent to which a percentage change in that exchange rate corresponds to a percentage change in the applicable Basket Component, and changes in these correlations may have a negative impact on the value of the notes.

Our and the Guarantor's Financial Condition and Creditworthiness. Our and the Guarantor's perceived creditworthiness, including any increases in our respective credit spreads and any actual or anticipated decreases in our respective credit ratings, may adversely affect the market value of the notes. In general, we expect the longer the amount of time that remains until maturity, the more significant the impact will be on the value of the notes.

However, a decrease in our or the Guarantor's credit spreads or an improvement in our or the Guarantor's credit ratings will not necessarily increase the market value of the notes.

Time to Maturity. There may be a disparity between the market value of the notes prior to maturity and their value

at maturity. This disparity is often called a time value, premium, or discount, and reflects expectations concerning the value of the Basket during the term of the notes. As the time to maturity decreases, this disparity may decrease, such that the value of the notes will approach the expected Redemption Amount to be paid at maturity.

Trading and hedging activities by us, the Guarantor and any of our other affiliates may affect your return on the notes and their market value. We, the Guarantor and our other affiliates, including MLPF&S, may buy or sell the securities represented by the Basket Components, or futures or options contracts on the Basket Components or their component securities or other listed or over-the-counter derivative instruments linked to the Market Measure or its component securities. We, the Guarantor and any of our other affiliates, including MLPF&S, may execute such purchases or sales for our own accounts, for business reasons, or in connection with hedging our obligations under the notes. These transactions could affect the value of these securities and, in turn, the values of the Basket Components in a manner that could be adverse to your investment in the notes. On or before the pricing date, any purchases or sales by us, the Guarantor or our other affiliates, including MLPF&S, or others on our or their behalf (including for the purpose of hedging anticipated exposures) have increased the values of the Basket Components. Consequently, the value of the Basket or the securities represented by the Basket Components may decrease subsequent to the pricing date, adversely affecting the market value of the notes.

We, the Guarantor or one or more of our other affiliates, including MLPF&S, may also have engaged in hedging activities that could have increased the value of the Basket Components on the pricing date. In addition, these activities may decrease the market value of the notes prior to maturity, including on the calculation day, and may affect the Redemption Amount. We, the Guarantor or one or

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more of our other affiliates, including MLPF&S, may purchase or otherwise acquire a long or short position in the notes and may hold or resell the notes. For example, MLPF&S may enter into these transactions in connection with any market making activities in which it engages. We cannot assure you that these activities will not adversely affect the value of the Basket, the market value of the notes prior to maturity or the Redemption Amount.

Our trading, hedging and other business activities may create conflicts of interest with you. We, the Guarantor or one or more of our affiliates, including MLPF&S, may engage in trading activities related to the Basket and to securities represented by the Basket Components that are not for your account or on your behalf. We, the Guarantor or one or more of our affiliates, including MLPF&S, also may issue or underwrite other financial instruments with returns based upon the Basket Components. These trading and other business activities may present a conflict of interest between your interest in the notes and the interests we, the Guarantor and our other affiliates, including MLPF&S, may have in our proprietary accounts, in facilitating transactions, including block trades, for our or their other customers, and in accounts under our or their management. These trading and other business activities, if they influence the value of the Basket or secondary trading in the notes, could be adverse to your interests as a beneficial owner of the notes.

We expect to enter into arrangements or adjust or close out existing transactions to hedge our obligations under the notes. We, the Guarantor or our other affiliates also may enter into hedging transactions relating to other notes or instruments that we issue, some of which may have returns calculated in a manner related to that of the notes. We may enter into such hedging arrangements with one of our affiliates. Our affiliates may enter into additional hedging transactions with other parties relating to the notes and the Basket Components. This hedging activity is expected to result in a profit to those engaging in the hedging activity, which could be more or less than initially expected, or the hedging activity could also result in a loss. We and our affiliates will price these hedging transactions with the intent to realize a profit, regardless of whether the value of the notes increases or decreases. Any profit in connection with such hedging activities will be in addition to any other compensation that we, the Guarantor and any of our other affiliates, including MLPF&S, receive for the sale of the notes, which creates an additional incentive to sell notes to you.

There may be potential conflicts of interest involving the calculation agent. We have the right to appoint and remove the calculation agent. MLPF&S will be the calculation agent for the notes and, as such, will make several determinations regarding the notes, including the Step Up Value, the Ending Value and the Redemption Amount.

Under some circumstances, these duties could result in a conflict of interest between its status as our affiliate and its responsibilities as calculation agent. These conflicts could occur, for instance, in connection with the calculation agent's determination as to whether a Market Disruption Event has occurred, or in connection with judgments that it would be required to make if the publication of an Index is discontinued, or if certain events occur with respect to an ETF. The calculation agent will be required to carry out its duties in good faith and use its reasonable judgment.

However, because we expect that the Guarantor will control the calculation agent, potential conflicts of interest could arise.

The U.S. federal income tax consequences of an investment in the notes are uncertain, and may be adverse to a holder of the notes. No statutory, judicial, or administrative authority directly addresses the characterization of the notes or securities similar to the notes for U.S. federal income tax purposes. As a result, significant aspects of the U.S. federal income tax consequences of an investment in the notes are not certain. Under the terms of the notes, you will have agreed with us to treat the notes as single financial contracts, as described under U.S. Federal Income Tax Summary—General. If the Internal Revenue Service (the IRS) were successful in asserting an alternative characterization for the notes, the timing and character of gain or loss with respect to the notes may differ. No ruling will be requested from the IRS with respect to the notes and no assurance can be given that the IRS will agree with the statements made in the section entitled U.S. Federal Income Tax Summary.

You are urged to consult with your own tax advisor regarding all aspects of the U.S. federal income tax consequences of investing in the notes.

Risks Relating to the Basket Components

You must rely on your own evaluation of the merits of an investment linked to the Basket Components. In the ordinary course of their businesses, our affiliates may have expressed views on expected movements in the Basket Components or the securities represented by the Basket Components, and may do so in the future. These views or reports may be communicated to our clients and clients of our affiliates. However, these views are subject to change from time to time. Moreover, other professionals who deal in markets relating to the Basket Components may at any time have significantly different views from those of our affiliates. For these reasons, you are encouraged to derive information concerning the Basket Components or the securities represented by the Basket Components from multiple sources, and you should not rely on the views expressed by our affiliates.

You will have no rights as a security holder, you will have no rights to receive any of the securities represented by the Basket Components, and you will not be entitled to dividends or other distributions by the issuers of these securities. The notes are our debt securities. They are not equity instruments, shares of stock, or securities of any other issuer, other than the related guarantee, which is a security of the Guarantor. Investing in the notes will not make you a holder of any of the securities represented by the Basket Components. You will not have any voting rights, any rights to receive dividends or other distributions, or any other rights with respect to those securities. As a result, the return on the notes may not reflect the return you would realize if you actually owned those securities and received the dividends paid or other distributions made in connection with them. Additionally, the levels of the Indices reflect only the prices of the securities included in those Indices and do not take into consideration the value of dividends paid on those securities. Similarly, the prices of the ETFs do not reflect any dividends paid on those ETFs. The Redemption Amount will be paid in cash and you have no right to receive delivery of any of these securities.

Since the Basket Components represent equity securities traded on foreign exchanges, your return may be affected by factors affecting international securities markets. The value of securities traded outside of the U.S. may be adversely affected by

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a variety of factors relating to the relevant securities markets. Factors which could affect those markets, and therefore the return on the notes, include:

Market Liquidity and Volatility. The relevant foreign securities markets may be less liquid and/or more volatile than U.S. or other securities markets and may be affected by market developments in different ways than U.S. or other securities markets.

Political, Economic, and Other Factors. The prices and performance of securities of companies in foreign countries may be affected by political, economic, financial, and social factors in those regions. Direct or indirect government intervention to stabilize a particular securities market and cross-shareholdings in companies in the relevant foreign markets may affect prices and the volume of trading in those markets. In addition, recent or future changes in government, economic, and fiscal policies in the relevant jurisdictions, the possible imposition of, or changes in, currency exchange laws, or other laws or restrictions, and possible fluctuations in the rate of exchange between currencies, are factors that could negatively affect the relevant securities markets. The relevant foreign economies may differ from the U.S. economy in economic factors such as growth of gross national product, rate of inflation, capital reinvestment, resources, and self-sufficiency.

In particular, many emerging nations are undergoing rapid change, involving the restructuring of economic, political, financial and legal systems. Regulatory and tax environments may be subject to change without review or appeal, and many emerging markets suffer from underdevelopment of capital markets and tax systems. In addition, in some of these nations, issuers of the relevant securities face the threat of expropriation of their assets, and/or nationalization of their businesses. The economic and financial data about some of these countries may be unreliable.

Publicly Available Information. There is generally less publicly available information about foreign companies than about U.S. companies that are subject to the reporting requirements of the SEC. In addition, accounting, auditing, and financial reporting standards and requirements in foreign countries differ from those applicable to U.S. reporting companies.

We and the Guarantor do not control any company with securities included in any Basket Component and are not responsible for any disclosure made by any other company. The Guarantor or our other affiliates currently, or in the future, may engage in business with companies with securities included in the Basket Components, and the Guarantor or our other affiliates may from time to time own securities of companies with securities included in the Basket Components. However, none of us, the Guarantor nor any of our other affiliates, including MLPF&S, have the ability to control the actions of any of these companies or have undertaken any independent review of, or made any due diligence inquiry with respect to, any of these companies. In addition, none of us, the Guarantor or any of our other affiliates are responsible for the calculation of any Index or Underlying Index. You should make your own investigation into the Basket Components.

None of the index publishers or ETF investment advisors, their affiliates, or any companies with securities included in the Basket Components will be involved in the offering of the notes or will have any obligation of any sort with respect to the notes. As a result, none of those companies will have any obligation to take your interests as holders of the notes into consideration for any reason, including taking any corporate actions that might affect the value of the securities represented by the Basket Components or the value of the notes.

The Guarantor's business activities relating to the companies represented by the Basket Components may create conflicts of interest with you. The Guarantor and/or our other affiliates, including MLPF&S, at the time of the offering of the notes or in the future, may engage in business with the companies represented by the Basket Components, including making loans to, equity investments in, or providing investment banking, asset management, or other services to those companies, their affiliates, and their competitors.

In connection with these activities, the Guarantor or our other affiliates may receive information about those companies that they will not divulge to you or other third parties. One or more of our affiliates have published, and in the future may publish, research reports on one or more of these companies. This research is modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the notes. Any of these activities may affect the value of the Basket and, consequently, the market value of

the notes. We, the Guarantor and our other affiliates, do not make any representation to any purchasers of the notes regarding any matters whatsoever relating to the issuers of the securities included in the Basket Components. Any prospective purchaser of the notes should undertake an independent investigation of the companies included in the Basket Components to a level that, in its judgment, is appropriate to make an informed decision regarding an investment in the notes. The composition of the Basket Components does not reflect any investment recommendations from us, the Guarantor or our other affiliates.

Additional Risks Relating to the ETFs

There are liquidity and management risks associated with an ETF. Although shares of the ETFs are listed for trading on a securities exchange and a number of similar products have been traded on various exchanges for varying periods of time, there is no assurance that an active trading market will continue for the shares of that ETF or that there will be liquidity in the trading market.

ETFs are subject to management risk, which is the risk that the investment adviser's investment strategy, the implementation of which is subject to a number of constraints, may not produce the intended results.

We cannot control actions by an ETF's investment advisers which may adjust the ETF in a way that could adversely affect the value of the notes and the Redemption Amount, and the investment adviser has no obligation to consider your interests. The policies of the investment adviser concerning the calculation of an ETF's net asset value, additions, deletions, or substitutions of securities or other investments held by the ETF and the manner in which changes affecting the applicable Underlying Index are reflected in the ETF could affect the market price per share of the ETF and, therefore, the market value of the notes and the Redemption Amount. The market value of the notes and the Redemption Amount could also be affected if the investment adviser

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changes these policies, for example, by changing the manner in which it calculates the ETF's net asset value, or if the investment adviser discontinues or suspends calculation or publication of the ETF's net asset value, in which case it may become difficult to determine the value of the applicable notes. If events such as these occur or if the closing price per share of the ETF is not available, the calculation agent may determine the closing price per share of the ETF on the applicable day; as a result, the calculation agent would determine the Redemption Amount in a manner it considers appropriate, in its sole discretion.

The performance of an ETF and the performance of its Underlying Index may vary. The performance of an ETF and that of its Underlying Index may vary due to transaction costs, certain corporate actions, and timing variances. In addition, because the shares of an ETF are traded on a securities exchange and are subject to market supply and investor demand, the market value of one share of an ETF may differ from its net asset value per share; shares of an ETF may trade at, above, or below their net asset value per share.

For the foregoing reasons, the performance of an ETF may not match the performance of its Underlying Index over the same period. Because of this variance, the return on the notes, to the extent dependent on the return of an ETF, may not be the same as an investment directly in the securities or other investments included in the applicable Underlying Index or the same as a debt security with a payment at maturity linked to the performance of the Underlying Index.

The ETFs hold non-U.S. traded securities, and are subject to foreign currency exchange rate risk. The share price of an ETFs, which hold securities traded outside of the U.S., will fluctuate based upon its net asset value, which will in turn depend in part upon changes in the value of the currency in which the securities held by the ETF are traded. Accordingly, investors in the notes will be exposed to currency exchange rate risk with respect to the currency in which the securities held by the ETF are traded. An investor's net exposure will depend on the extent to which the applicable currency strengthens or weakens against the U.S. dollar. If, the dollar strengthens against the applicable currency, the net asset value of the ETF will be adversely affected and the price of the ETF may decrease.

Time zone differences between the cities where the securities included in an Underlying Index and an ETF trade may create discrepancies in trading levels. As a result of the time zone difference between the cities where some of the securities comprising the Underlying Index trade and New York City, where the shares of the applicable ETF trade, there may be discrepancies between the values of the Underlying Index and the trading prices of the ETF.

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The Basket

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

On the pricing date, for each Basket Component, the Initial Component Weight, the closing level (or Closing Market Price (as defined below on page PS-29), as applicable), the Component Ratio and the initial contribution to the Basket value were as follows:

Basket Component	Bloomberg Symbol	Initial Component Weight	Closing Level or Closing Market Price⁽¹⁾	Component Ratio⁽²⁾	Initial Basket Value Contribution
Hang Seng [®] Index	HSI	35.00%	30,760.41	0.00113783	35.00
Nikkei Stock Average Index	NKY	30.00%	22,437.01	0.00133708	30.00
Taiwan Stock Exchange Weighted Index	TWSE	10.00%	10,936.93	0.00091433	10.00
Korea Stock Exchange KOSPI 200 Index	KOSPI2	10.00%	317.48	0.03149805	10.00
iShares [®] MSCI India ETF	INDA	10.00%	\$32.87	0.30422878	10.00
WisdomTree India Earnings Fund	EPI	5.00%	\$25.14	0.19888624	5.00
			Starting Value		100.00

(1) These were the closing levels (or Closing Market Prices, as applicable) of the Basket Components on the pricing date.

(2) Each Component Ratio equals the Initial Component Weight of the relevant Basket Component (as a percentage) multiplied by 100, and then divided by the closing level or Closing Market Price of that Basket Component on the pricing date and rounded to eight decimal places.

The calculation agent will calculate the value of the Basket by summing the products of the closing level or Closing Market Price for each Basket Component on the calculation day and the Component Ratio applicable to such Basket Component. If a Market Disruption Event occurs as to any Basket Component on the scheduled calculation day, the closing level of that Basket Component will be determined as more fully described in "Description of the Notes" on page PS-29 of this pricing supplement.

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While actual historical information on the Basket did not exist before the pricing date, the following graph sets forth the hypothetical historical daily performance of the Basket from February 2, 2012 (the date that the INDA commenced trading) through the pricing date. The graph is based upon actual daily historical values of the Basket Components, hypothetical Component Ratios based on the closing levels or Closing Market Prices of the Basket Components as of February 2, 2012, and a Basket value of 100.00 as of that date. This hypothetical historical data on the Basket is not necessarily indicative of the future performance of the Basket or what the value of the notes may be. Any hypothetical historical upward or downward trend in the value of the Basket during any period set forth below is not an indication that the value of the Basket is more or less likely to increase or decrease at any time over the term of the notes.

Hypothetical Historical Performance of the Basket

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The Basket Components

All disclosures contained in this pricing supplement regarding the Basket Components, including, without limitation, their make-up, method of calculation, and changes in their components, have been derived from publicly available sources. The information reflects the policies of, and is subject to change by each of the index sponsors discussed below and by each of the ETFs.

Any of the Basket Components may be changed or discontinued at any time. We make no representation or warranty as to the accuracy or completeness of the following information. None of us, BAC, the calculation agent, or MLPF&S accepts any responsibility for the calculation, maintenance, or publication of any Basket Component or any successor index.

Under the Securities Exchange Act of 1934 and the Investment Company Act of 1940, information and reports are filed with the SEC as to each of the Basket Components that are ETFs. These information and reports can be located at the SEC's facilities or through the SEC's website. We have not independently verified the accuracy or completeness of the information or reports.

The Hang Seng® Index

The HSI is calculated, maintained and published by HSIL, a wholly owned subsidiary of Hang Seng Bank, in concert with the HSI Advisory Committee and was first developed, calculated and published on November 24, 1969. The HSI is a free float-adjusted market capitalization weighted stock market index, with a cap on the weighting of individual constituent stocks, that is designed to reflect the performance of the largest and most liquid companies listed in Hong Kong.

Index Criteria

Only companies or real estate investment trusts with a primary listing on the main board of the Stock Exchange of Hong Kong (HKEX) are eligible as constituents of the HSI. Mainland China enterprises that have an H-share listing in Hong Kong will not be eligible for inclusion in the HIS, unless the company has no unlisted share capital. In addition, to be eligible for selection, a company: (1) must be among those that constitute the top 90% of the total market value of all primary listed shares on the HKEX (the market value of a company refers to the average of its month-end market capitalizations for the past 12 months); (2) must be among those that constitute the top 90% of the total turnover of all primary listed shares on the HKEX in a sufficient number of measurement sub-periods (turnover is assessed over the last eight quarterly sub-periods: if a company was in the top 90% in any of the most recent four sub-periods, it receives two points; if it was in the top 90% in any of the latter four sub-periods, it receives one point. A company must attain a score of eight points to meet the turnover requirement); and (3) should normally have a listing history of 24 months (there are exceptions for companies that have shorter listing histories but large market values and/or high turnover scores). From the many eligible candidates, final selections are based on the following: (1) the market value and turnover rankings of the companies; (2) the representation of the sub-sectors within the HSI directly reflecting that of the market; and (3) the financial performance of the companies. The number of constituents is fixed at 50.

Index Calculation

The calculation methodology of the HSI is a free float-adjusted market capitalization weighting with a 10% cap on individual stocks.

The formula for the index calculation is as follows:

Current Index =

where:

P_t : current price at day t ;

P_{t-1} : closing price at day $t-1$;

IS: number of issued shares;

FAF: free float-adjusted factor, which is between 0 and 1; and

CF: capping factor, which is between 0 and 1.

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The following graph shows the daily historical performance of the HSI in the period from January 1, 2008 through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. On the pricing date, the closing level of the HSI was 30,760.41.

Historical Performance of the Hang Seng Index

This historical data on the HSI is not necessarily indicative of the future performance of the HSI or what the value of the notes may be. Any historical upward or downward trend in the level of the HSI during any period set forth above is not an indication that the level of the HSI is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the levels of the HSI.

License Agreement

We or one of our affiliates has entered into a non-exclusive license agreement with HSIL and Hang Seng Data Services Limited whereby we or one of our affiliates, in exchange for a fee, is permitted to use the HSI in connection with certain securities, including the notes. We are not affiliated with HSIL; the only relationship between HSIL and us is any licensing of the use of HSIL's indices and trademarks related to us.

THE HSI IS PUBLISHED AND COMPILED BY HANG SENG INDEXES COMPANY LIMITED PURSUANT TO A LICENSE FROM HANG SENG DATA SERVICES LIMITED. THE MARK AND NAME HANG SENG CHINA ENTERPRISES INDEX ARE PROPRIETARY TO HANG SENG DATA SERVICES LIMITED. HANG SENG INDEXES COMPANY LIMITED AND HANG SENG DATA SERVICES LIMITED HAVE AGREED TO THE USE OF, AND REFERENCE TO, THE HSI BY US IN CONNECTION WITH THE NOTES, BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE NOTES OR ANY OTHER PERSON (I) THE ACCURACY OR COMPLETENESS OF THE HSI AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (II) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF THE HSI OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (III) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF THE HSI OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO THE HSI IS GIVEN OR MAY BE IMPLIED. THE PROCESS AND BASIS OF COMPUTATION AND COMPILATION OF THE HSI AND ANY OF THE RELATED FORMULA OR FORMULAE, CONSTITUENT STOCKS AND FACTORS MAY AT ANY TIME BE CHANGED OR ALTERED BY HANG SENG INDEXES COMPANY LIMITED WITHOUT NOTICE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (I) IN RESPECT OF THE USE OF AND/OR REFERENCE TO THE HSI BY US IN CONNECTION WITH THE NOTES; OR (II) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF THE HSI; OR (III) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF THE HSI WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (IV) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE NOTES AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED IN CONNECTION WITH THE NOTES IN ANY MANNER WHATSOEVER BY ANY BROKER, HOLDER OR OTHER PERSON DEALING WITH THE NOTES. ANY BROKER, HOLDER OR OTHER PERSON DEALING WITH THE NOTES DOES SO THEREFORE IN FULL KNOWLEDGE OF THIS DISCLAIMER AND CAN PLACE NO RELIANCE WHATSOEVER ON HANG SENG INDEXES COMPANY LIMITED AND HANG SENG DATA SERVICES LIMITED. FOR THE AVOIDANCE OF DOUBT, THIS DISCLAIMER DOES NOT CREATE

ANY CONTRACTUAL OR QUASI-CONTRACTUAL RELATIONSHIP BETWEEN ANY BROKER, HOLDER OR OTHER PERSON AND HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED AND MUST NOT BE CONSTRUED TO HAVE CREATED SUCH RELATIONSHIP.

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The Nikkei Stock Average Index

The NKY, also known as the Nikkei 225 Index, is an equity index calculated, published, and disseminated by Nikkei Inc. The NKY measures the composite price performance of selected Japanese stocks. The NKY is currently based on 225 stocks (each, an NKY Stock) trading on the Tokyo Stock Exchange (TSE) and represents a broad cross-section of Japanese industry. All 225 of the NKY Stocks are listed in the First Section of the TSE. NKY Stocks listed in the First Section are among the most actively traded stocks on the TSE. The NKY started on September 7, 1950.

However, it was retroactively calculated back to May 16, 1949, when the TSE reopened for the first time after World War II.

Index Calculation

The NKY is a modified, price-weighted index. Each NKY Stock's weight is based on its price per share rather than the total market capitalization of the issuer. Nikkei Inc. calculates the NKY by multiplying the per share price of each NKY Stock by the corresponding weighting factor for that NKY Stock (a Weight Factor), calculating the sum of all these products and dividing that sum by a divisor. The divisor is subject to periodic adjustments as set forth below.

Each Weight Factor is computed by dividing 50 by the presumed par value of the relevant NKY Stock, so that the share price of each NKY Stock when multiplied by its Weight Factor corresponds to a share price based on a uniform par value of 50. Each Weight Factor represents the number of shares of the related NKY Stock which are included in one trading unit of the Index. The stock prices used in the calculation of the Index are those reported by a primary market for the NKY Stocks, currently the TSE. The level of the NKY is currently calculated once per 15 seconds during TSE trading hours.

In order to maintain continuity in the level of the NKY in the event of certain changes due to non-market factors affecting the NKY Stocks, such as the addition or deletion of stocks, stock splits, or increase in paid-in capital, the divisor used in calculating the NKY is adjusted in a manner designed to prevent any instantaneous change or discontinuity in the level of the Index. The divisor remains at the new value until a further adjustment is necessary as the result of another change. In the event of a change affecting any NKY Stock, the divisor is adjusted in such a way that the sum of all share prices immediately after the change multiplied by the applicable Weight Factor and divided by the new divisor, i.e., the level of the NKY immediately after the change, will equal the level of the NKY immediately prior to the change.

Index Maintenance

The NKY is reviewed annually at the beginning of October. The purpose of the review is to maintain the representative nature of the NKY Stocks. Stocks with high market liquidity are added and those with low liquidity are deleted. At the same time, to take changes in industry structure into account, the balance of the sectors, in terms of the number of constituents, is considered. Liquidity of a stock is assessed by the two measures: trading value and magnitude of price fluctuation by volume, which is calculated as $(\text{high price}/\text{low price}) / \text{volume}$. Among stocks on the TSE First Section, the top 450 stocks in terms of liquidity are selected to form the high liquidity group. Those constituents that are not in the high liquidity group are deleted. Those non-constituent stocks which are in the top 75 of the high liquidity group are added.

After the liquidity deletions and additions, constituents are deleted and added to balance the number of constituents among sectors, and to make the total number of the constituents equal 225. Among the 450 high liquidity stocks, half of those that belong to a sector are designated as the appropriate number of stocks for that sector. The actual number of constituents in a sector is then compared with its appropriate number, and if the actual number is larger or smaller than the appropriate number, then components are deleted or added, as necessary. Stocks to be deleted are selected from stocks with lower liquidity and stocks to be added are selected from stocks with higher liquidity. Stocks selected according to the foregoing procedures are candidates for addition or deletion, as applicable, and the final determinations will be made by Nikkei Inc.

The NKY is also reviewed on an ongoing basis in response to extraordinary developments, such as bankruptcies or mergers. Any stock becoming ineligible for listing in the TSE First Section due to any of the following reasons will be removed from the Index: (i) bankruptcy and liquidation events; (ii) corporate restructurings, such as mergers, share

exchanges or share transfers; (iii) excess debt or other reasons; or (iv) transfer to the TSE Second Section. In addition, a component stock designated as security under supervision becomes a deletion candidate. However, the decision to delete such a candidate will be made by examining the sustainability and the probability of delisting for each individual case. Upon deletion of a stock from the Index, Nikkei Inc. will generally select as a replacement the most liquid stock that is both in the high liquidity group and in the same sector as the deleted stock. When deletions are known in advance, replacements may be selected as part of the periodic review process or by using similar procedures.

The Tokyo Stock Exchange

The TSE is one of the world's largest securities exchanges in terms of market capitalization. Trading hours for most products listed on the TSE are currently from 9:00 A.M. to 11:00 A.M. and from 12:30 P.M. to 3:00 P.M., Tokyo time, Monday through Friday.

Due to the time zone difference, on any normal trading day, the TSE will close prior to the opening of business in New York City on the same calendar day. Therefore, the closing level of the NKY on a trading day will generally be available in the U.S. by the opening of business on the same calendar day.

The TSE has adopted certain measures, including daily price floors and ceilings on individual stocks, intended to prevent any extreme short-term price fluctuations resulting from order imbalances. In general, any stock listed on the TSE cannot be traded at a price lower than the applicable price floor or higher than the applicable price ceiling. These price floors and ceilings are expressed in absolute Japanese yen, rather than percentage limits based on the closing price of the stock on the previous trading day. In addition, when there is a major order imbalance in a listed stock, the TSE posts a special bid quote or a special asked quote for that stock at a specified higher or lower price level than the stock's last sale price in order to solicit counter-orders and balance supply and demand for the stock.

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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The TSE may also suspend the trading of individual stocks in certain limited and extraordinary circumstances, including, for example, unusual trading activity in that stock. As a result, changes in the NKY may be limited by price limitations or special quotes, or by suspension of trading, on individual stocks that make up the Index, and these limitations, in turn, may adversely affect the market value of the notes.

The following graph shows the daily historical performance of the NKY in the period from January 1, 2008 through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. On the pricing date, the closing level of the NKY was 22,437.01.

Historical Performance of the Nikkei Stock Average Index

This historical data on the NKY is not necessarily indicative of the future performance of the NKY or what the value of the notes may be. Any historical upward or downward trend in the level of the NKY during any period set forth above is not an indication that the level of the NKY is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the levels of the NKY.

License Agreement

We have entered into an agreement with Nikkei Inc. providing us with a non-exclusive license with the right to use the NKY in exchange for a fee. The NKY is the intellectual property of Nikkei Inc. (the NKY sponsor), formerly known as Nihon Keizai Shimbun, Inc. Nikkei, Nikkei Stock Average, and Nikkei 225 are the service marks of Nikkei Inc. Nikkei Inc. reserves all the rights, including copyright, to the Index.

The notes are not in any way sponsored, endorsed or promoted by the NKY sponsor. The NKY sponsor does not make any warranty or representation whatsoever, express or implied, either as to the results to be obtained as to the use of the NKY or the figure as which the NKY stands at any particular day or otherwise. The NKY is compiled and calculated solely by the NKY sponsor. However, the NKY sponsor shall not be liable to any person for any error in the NKY and the NKY sponsor shall not be under any obligation to advise any person, including a purchaser or seller of the notes, of any error therein.

In addition, the NKY sponsor gives no assurance regarding any modification or change in any methodology used in calculating the NKY and is under no obligation to continue the calculation, publication and dissemination of the NKY.

Market-Linked Step Up Notes

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Market-Linked Step Up Notes

Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The Taiwan Stock Exchange Capitalization Weighted Stock Index

The Taiwan Stock Exchange Capitalization Weighted Stock Index (the TWSE), also known as TAIEX, is a capitalization-weighted index compiled by Taiwan Stock Exchange Co., Ltd. (the TWSEC). The TWSE covers all of the listed stocks excluding preferred stocks, full-delivery stocks and newly listed stocks, which are listed for less than one calendar month on the Taiwan Stock Exchange. The number of constituents included in the TWSE is not fixed. The base year value as of 1966 was set at 100. The level of the TWSE is reported by Bloomberg under the ticker symbol TWSE.

Index Criteria

The constituents of the TWSE are taken from all common stocks listed for trading on the Taiwan Stock Exchange, as set forth below:

- (1) Stocks of newly listed companies are included in the sample from the first trading day of the next month following one full calendar month from listing; provided that, stocks of listed companies converted into financial holding companies or investment holding companies, and listed companies transferred from the over-the-counter market are included in the sample from the day of listing.
- (2) Stocks suspended from trading are included in the sample from the first trading day of the next month following one full calendar month from reinstatement of normal trading; provided that, stocks suspended from trading because of issuance of replacement shares due to capital reduction resulted from a corporate split are included in the sample from the day of resuming trading of the new shares.
- (3) Full delivery stocks are excluded from the sample, and will be included again on the day regular trading status is restored.

Index Calculation

The TWSE is calculated by the following formula:

$$\text{Index} = \text{Aggregate market value} / \text{Base value of the current day} \times 100$$

The aggregate market value is the summation of the market values obtained by multiplying the traded price of each constituent stock by the number of issued shares of the current day. If there is no traded price on the current day, the opening auction reference price of the current day may be used for calculation. However, stock of newly listed companies included in calculation of TWSE may be accounted for on the basis of the number of listed shares of the current date.

The base value at the time of commencement of calculation of the TWSE base period is the current aggregate market value at that time.

Index Adjustments

Upon occurrence of any of the below-listed events, the base value of the TWSE will be adjusted to maintain the continuity of the TWSE:

- (1) Addition or deletion of a constituent stock - effective date;
- (2) Subscription of common shares for cash capital increase - ex-right date;
- (3) Distribution of common shares or certificates of entitlement to new shares to employees as compensation - listing date;
- (4) Distribution of common shares as stock dividends on preferred stock - ex-right date;
- (5) Holding by a listed company of treasury stock for which capital cancellation has not been carried out - ex-right date;
- (6) Share cancellation in accordance with the law - ex-right date or the third trading day of the next month following public announcement on capital decrease, whichever comes first;
- (7) Failed offering for cash capital increase - at reversion to the original number of issued shares on the third trading day of the next month following receipt of notification;

- (8) Listing of certificates of entitlement to new shares or issuance of new shares following company merger or consolidation - listing date;
- (9) Listing of common shares issued in replacement of certificates of entitlement to convertible bonds - listing date;
- (10) Common shares converted directly from convertible bonds issued through exercise of securities with subscription right - ex-right date or the third trading day of the next month following the public announcement of capitalization amendment registration;
- (11) Cash capital increase shares or certificates of payment for which shareholders have waived subscription rights and public underwriting has been adopted - listing date;
- (12) New shares issued for global depositary receipts - listing date;
- (13) Common shares converted from convertible preferred shares - listing date; and
- (14) Other non-trading factors affecting aggregate market value.

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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The formula for adjustment of the base value is as follows:

Base value of the current day = base value of the previous day × (adjusted aggregate market value after the close of the previous day / the closing aggregate market value of the previous day)

Adjusted aggregate market value after the close of the previous day = closing aggregate market value of the previous day + the sum of all adjustments in market value.

Adjustments in market value are calculated as follows:

Item (1) above: Adjusted market value = closing price of the previous day × number of shares issued

Item (2) above: Adjusted market value = cash capital increase subscription price × number of cash capital increase shares

Item (3) above: Adjusted market value = (closing price of the common shares before the listing date of distribution of common shares or certificates of entitlement to new shares to employees as compensation) × number of shares resulting from compensation to employees

Item (4) above: Adjusted market value = ex-right reference price of the common shares × total number of common shares issued as stock dividends on preferred shares

Ex-right reference price of the common shares = (closing price before the ex-right date + cash capital increase subscription price × cash capital increase share distribution rate) / (1 + shareholder stock dividend rate + cash capital increase share distribution rate)

Shareholder stock dividend rate = number of capital increase shares distributed as dividends to shareholders / number of issued shares before the ex-right date

Cash capital increase share distribution rate = number of shares issued for the cash capital increase / number of shares issued before the ex-right date

Item (5) above: Adjusted market value = aggregate market value after the ex-right date - aggregate market value before the ex-right date

Market value before the ex-right date = (closing price before the ex-right date - cash dividends per share) × number of shares issued before the ex-right date

Market value after the ex-right date = (closing price before the ex-right date - cash dividends per share) / (1 + shareholder stock dividend rate) × number of shares issued after the ex-right date

Items (6), (7), (8), (9), (10), (11), (12), (13) and (14) above: Adjusted market value = closing price of the previous day × change in the number of shares

If the closing price is not available, the opening auction reference price of the current day may be used for the calculation of the various adjusted market values after the close of the previous day.

Market-Linked Step Up Notes

Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The following graph shows the daily historical performance of the TWSE in the period from January 1, 2008 through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. On the pricing date, the closing level of the TWSE was 10,936.93.

Historical Performance of the Taiwan Stock Exchange Capitalization Weighted Stock Index

This historical data on the TWSE is not necessarily indicative of the future performance of the TWSE or what the value of the notes may be. Any historical upward or downward trend in the level of the TWSE during any period set forth above is not an indication that the level of the TWSE is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the levels of the TWSE.

License Agreement

These notes are not in any way sponsored, endorsed, sold or promoted by Taiwan Stock Exchange Corporation (TWSEC) and TWSEC does not make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Taiwan Stock Exchange Capitalization Weighted Stock Index (the Index) and/or the figure at which said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by TWSE. However, TWSE shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and TWSE shall not be under any obligation to advise any person of any error therein.

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Market-Linked Step Up Notes

Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The KOSPI 200 Index

The KOSPI 200 Index (KOSPI2) is a capitalization-weighted index of 200 Korean blue-chip stocks listed on the Korea Composite Stock Price Index (KOSPI) market and covers approximately 90% of the KOSPI market. The KOSPI2 is calculated, maintained and published by the Korea Exchange (KRX). The constituent stocks are selected on the basis of their market value, liquidity and representativeness of the respective market and industry groups. The KOSPI2 was developed with a base value of 100 as of January 3, 1990. The KOSPI2 is reported by Bloomberg under the ticker symbol KOSPI2.

Selection Criteria

All domestic common stocks listed on the KOSPI Market as of the periodic realignment date will be included in the selection process, except for the equity securities which fall into one of the following categories:

- new issues listed less than 1 year, subject to certain exceptions;
- stocks issued by real estate investment companies, ship investment companies and investment & financing companies;
- stocks designated as administrative issues or issues scheduled to be delisted as of the regular realignment date; and
- issues with a free float rate under 10%.

Issues eligible for inclusion in the KOSPI2 are classified into nine sectors: (i) energy, (ii) materials, (iii) industrials, (iv) customer discretionary, (v) customer staples, (vi) health care, (vii) financials and real estate, (viii) information technology and telecommunication services, and (ix) utilities.

The selection process is devised to maximize the market cap coverage of KOSPI2 to the KOSPI Market. The minimum target market cap coverage is about 80% of the KOSPI Market.

New constituents are selected in a 3-step process:

1. *Size screen.* Issues in each sector are sorted by one-year averaged market capitalization and shortlisted as sector constituents until the cumulative sum of their market capitalization exceeds 80% of the sector's total market capitalization.
2. *Liquidity screen.* Shortlisted issues must meet the liquidity requirement in order to be selected for inclusion in the KOSPI2: if the one-year average trading value of an issue is less than the lower 15th percentile of the one-year average trading value of all issues in the sector, then the issue is removed from the shortlist and replaced with the an issue meeting the liquidity condition with the next highest market capitalization in the sector.
3. *Buffer rules.* In order to manage the turnover ratio of the KOSPI2 constituents, buffer rules are applied to the selection process of each sector in the following order:

An issue that is an existing constituent remains a constituent if the issue satisfies the liquidity requirement and its market capitalization rank is less than or equal to 110% of the number of the existing constituents in the sector;

An issue that is not an existing constituent is designated as a new constituent if the issues is a member of the shortlist and its market capitalization rank is less than or equal to 90% of the number of the existing constituents in the sector; and

If the number of the selected issues is more or less than 200 after applying of the two buffer rules stated above, KRX adds or excludes issues up to 200 using the following method:

- Less than 200 issues: issues are added in descending order of market capitalization among unselected issues on the shortlist that meet the liquidity requirement irrespective of sector classification.
- More than 200 issues: issues are excluded in ascending order of market capitalization among selected issues unless the number of constituents of each sector is less than 90% of current constituents of each sector.

Special rule. If an issue with a rank of the last 15 trading days' market capitalization as of the base date higher than or equal to 50th in the whole KOSPI Market is not selected, the issue will be chosen as a new constituent and the lowest market capitalization constituent will be disqualified.

Reserved issues. KRX selects 10 issues from each sector in order of market capitalization among the unselected issues as reserve issues to be added if any constituent happens to be removed due to corporate events.

Index Calculation

The KOSPI2 is calculated using a free float adjusted market capitalization weighted methodology. The KOSPI2 is computed by multiplying (i) the market capitalization as of the calculation time divided by the market capitalization as of the base date, by (ii) 100. Market capitalization is obtained by multiplying the number of listed common shares of the constituents by the price of the applicable common share.

Index Maintenance

Annual index rebalancing. KRX reviews the KOSPI2 annually in May. An index committee, consisting of independent professionals in the financial industry and academia, reviews the KOSPI2 constituents. The constituent list is announced in early June and the effective date of the rebalancing is the trading day following the last trading day of June contracts in the KOSPI2 index futures and index options.

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Ongoing event-related changes. A constituent is deleted from the KOSPI2 when it is delisted from the market, designated as an administrative issue, or merged with another issues. Otherwise KRX can remove constituents from the KOSPI2 if the issue does not meet the eligibility requirements. At the same time, a reserved issue in the corresponding sector is added to the KOSPI2. Additionally, special entry rules apply to spin-offs and new listings.

The following graph shows the daily historical performance of the KOSPI2 in the period from January 1, 2008 through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. On the pricing date, the closing level of the KOSPI2 was 317.48.

Historical Performance of the KOSPI 200 Index

This historical data on the KOSPI2 is not necessarily indicative of the future performance of the KOSPI2 or what the value of the notes may be. Any historical upward or downward trend in the level of the KOSPI2 during any period set forth above is not an indication that the level of the KOSPI2 is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the levels of the KOSPI2.

License Agreement

One of our affiliates intends to enter into an agreement with the Korea Exchange providing us with a non-exclusive license with the right to use the KOSPI2 in exchange for a fee. The notes are not sponsored, endorsed, sold or promoted by KRX. KRX makes no representation or warranty, express or implied, to the owners of the notes or any member of the public regarding the advisability of investing in securities generally or in the notes particularly or the ability of the KOSPI2 to track general stock market performance. KRX's only relationship to the Licensee is the licensing of certain trademarks and trade names of KRX and of the KOSPI2 which is determined, composed and calculated by KRX without regard to the Licensee or the notes. KRX has no obligation to take the needs of the Licensee or the owners of the notes into consideration in determining, composing or calculating the KOSPI2. KRX is not responsible for and has not participated in the determination of the prices and amount of the notes or the timing of the issuance or sale of the notes or in the determination or calculation of the equation by which the notes are to be converted into cash. KRX has no obligation or liability in connection with the administration, marketing or trading of the notes.

KRX DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE KRX INDEXES OR ANY DATA INCLUDED THEREIN AND KRX SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN.

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WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL KRX HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

KRX makes no representation or warranty, express or implied, to the owners of the Financial Products or any member of the public regarding the advisability of investing in securities generally or in the products particularly or the ability of the KRX Indexes to track general stock market performance (profitability).

KRX's only relationship to the Licensee is the licensing of certain trademarks and trade names of KRX and of the KRX Indexes which is determined, composed and calculated by KRX without regard to the Licensee or the content of the product.

KRX has no obligation to take the needs of the Licensee or the owners of the Financial Products into consideration in determining, composing or calculating the KRX Indexes. KRX is not responsible for and has not participated in the determination of the timing of the issuance or sale of the derivative products linked to KRX Indexes or in the determination or calculation of the equation by which the derivative products linked to KRX Indexes is to be converted into cash.

KRX has no obligation or liability to the owners of the Financial Products linked to KRX Indexes in connection with the administration, marketing or trading of the Product.

The disclaimers of KRX under this Section shall continue to be effective even after the termination of the Agreement.

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Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The iShares® MSCI India ETF

The iShares® MSCI India ETF (the INDA) is intended to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI India Index. The INDA trades on NYSE Arca under the ticker symbol INDA. The INDA was established in the first quarter of 2012.

The INDA is intended to measure equity market performance of the large and mid-cap segments of the Indian market. The INDA seeks to track the investment results of the MSCI India Index, which is designed to measure the performance of equity securities of companies whose market capitalization, as calculated by the index provider, represents the top 85% of companies in the Indian securities market. As of December 31, 2017, the components of the MSCI India Index include financials, computers- software, consumer discretionary, energy, materials, consumer staples, industrials, health care, utilities, telecommunication services, and software- telecom.

The MSCI India Index is part of the MSCI Regional Equity Indices series and is an MSCI Global Investable Market Index, which is a family within the MSCI International Equity Indices.

The Country Indices

Each country's index included in an MSCI Index is referred to as a Country Index. Under the MSCI methodology, each Country Index is an MSCI Global Standard Index. The components of each Country Index used to be selected by the index sponsor from among the universe of securities eligible for inclusion in the relevant Country Index so as to target an 85% free float-adjusted market representation level within each of a number of industry groups, subject to adjustments to (i) provide for sufficient liquidity, (ii) reflect foreign investment restrictions (only those securities that can be held by non-residents of the country corresponding to the relevant Country Index are included) and (iii) meet certain other investibility criteria. Following a change in the index sponsor's methodology implemented in May 2008, the 85% target is now measured at the level of the country universe of eligible securities rather than the industry group level-so each Country Index will seek to include the securities that represent 85% of the free float-adjusted market capitalization of all securities eligible for inclusion-but will still be subject to liquidity, foreign investment restrictions and other investibility adjustments. The index sponsor defines free float as total shares excluding shares held by strategic investors such as governments, corporations, controlling shareholders and management, and shares subject to foreign ownership restrictions.

Calculation of the Country Indices

Each Country Index is a free float-adjusted market capitalization index that is designed to measure the market performance, including price performance, of the equity securities in that country. Each Country Index is calculated in the relevant local currency as well as in U.S. dollars, with price, gross and net returns.

Each component is included in the relevant Country Index at a weight that reflects the ratio of its free float-adjusted market capitalization (i.e., free public float multiplied by price) to the free float-adjusted market capitalization of all the components in that Country Index. The index sponsor defines the free float of a security as the proportion of shares outstanding that is deemed to be available for purchase in the public equity markets by international investors.

Calculation of the MSCI Indices

The performance of a MSCI Index on any given day represents the weighted performance of all of the components included in all of the Country Indices. Each component in a MSCI Index is included at a weight that reflects the ratio of its free float-adjusted market capitalization (i.e., free public float multiplied by price) to the free float-adjusted market capitalization of all the components included in all of the Country Indices.

Maintenance of and Changes to the MSCI Indices

The index sponsor maintains the MSCI Indices with the objective of reflecting, on a timely basis, the evolution of the underlying equity markets and segments. In maintaining the indices, emphasis is also placed on continuity, continuous investibility of the constituents, replicability, index stability and low turnover in the indices.

As part of the changes to the index sponsor's methodology which became effective in May 2008, maintenance of the indices falls into three broad categories:

semi-annual reviews, which will occur each May and November and will involve a

comprehensive reevaluation of the market, the universe of eligible securities and other factors involved in composing the indices;

quarterly reviews, which will occur each February, May, August and November and will focus on significant changes in the market since the last semi-annual review and on including significant new eligible securities (such as IPOs, which were not eligible for earlier inclusion in the indices); and

ongoing event-related changes, which will generally be reflected in the indices at the time of the event and will include changes resulting from mergers, acquisitions, spin-offs, bankruptcies, reorganizations and other similar corporate events.

Based on these reviews, additional components may be added, and current components may be removed, at any time. The index sponsor generally announces all changes resulting from semi-annual reviews, quarterly reviews and ongoing events in advance of their implementation, although in exceptional cases they may be announced during market hours for same or next day implementation.

Neither we nor any of our affiliates, or MLPF&S, accepts any responsibility for the calculation, maintenance, or publication of, or for any error, omission, or disruption in, the MSCI Indices. The index sponsor does not guarantee the accuracy or the completeness of

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the MSCI Indices or any data included in the MSCI Indices. The index sponsor assumes no liability for any errors, omissions, or disruption in the calculation and dissemination of the MSCI Indices. The index sponsor disclaims all responsibility for any errors or omissions in the calculation and dissemination of the MSCI Indices or the manner in which the MSCI Indices is applied in determining the amount payable on the notes at maturity.

The following table shows the quarterly high and low Closing Market Prices of the shares of the INDA on its primary exchange from the first quarter of 2008 through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. These historical trading prices may have been adjusted to reflect certain corporate actions, such as stock splits and reverse stock splits.

	<u>High (\$)</u>	<u>Low (\$)</u>
2012		
.....First Quarter.....	27.40	24.00
Second Quarter	25.22	20.15
Third Quarter	25.40	21.42
Fourth Quarter	27.06	24.13
2013		
First Quarter	27.24	24.77
Second Quarter	26.96	22.23
Third Quarter	24.43	19.24
Fourth Quarter	25.13	22.71
2014		
First Quarter	26.43	22.81
Second Quarter	30.44	26.15
Third Quarter	31.93	29.33
Fourth Quarter	32.38	28.61
2015		
First Quarter	33.62	28.99
Second Quarter	33.31	28.57
Third Quarter	31.52	26.74
Fourth Quarter	29.88	25.85
2016		
First Quarter	27.16	23.69
Second Quarter	28.44	25.99
Third Quarter	30.58	27.91
Fourth Quarter	29.99	25.84
2017		
First Quarter	31.60	26.87
Second Quarter	32.97	31.13
Third Quarter	34.83	32.29
Fourth Quarter	36.07	32.68
2018		
First Quarter	38.06	32.97
Second Quarter (through the pricing date)	34.95	32.65

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The following graph shows the daily closing price of the INDA in the period from February 2, 2012 (the date the INDA began trading) through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. On the pricing date, the closing price of the INDA was \$32.87.

Historical Performance of the INDA

This historical data on the INDA is not necessarily indicative of the future performance of the INDA or what the value of the notes may be. Any historical upward or downward trend in the level of the INDA during any period set forth above is not an indication that the level of the INDA is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the prices and trading pattern of the INDA.

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WisdomTree India Earnings Fund

The WisdomTree India Earnings Fund (the EPI) is an investment portfolio maintained and managed by WisdomTree Trust (the WTT). Wisdom Tree Asset Management, Inc. (WTAM) is currently the investment adviser to the WisdomTree India Earnings Fund, and Mellon Capital Management Corporation is the sub-adviser to the WisdomTree India Earnings Fund. The WisdomTree India Earnings Fund is an exchange traded fund that trades on the NYSE Arca, Inc. under the ticker symbol EPI.

Investment Objective and Strategy

The WisdomTree India Earnings Fund is an exchange-traded fund that seeks to track the price and yield performance, before fees and expenses, of the underlying index. The underlying index is a weighted index that measures the performance of companies incorporated and traded in India that are profitable and that are eligible to be purchased by foreign investors as of the annual index rebalance.

The WisdomTree India Earnings Fund pursues a passive or indexing approach in attempting to track the performance of the underlying index. The WisdomTree India Earnings Fund attempts to invest all, or substantially all, of its assets in the common stocks that make up the underlying index. The WisdomTree India Earnings Fund generally uses a representative sampling strategy to achieve its investment objective, meaning that it generally will invest in a sample of the securities whose risk, return and other characteristics closely resemble the risk, return and other characteristics of the underlying index as a whole.

Under normal circumstances, at least 95% of the WisdomTree India Earnings Fund's total assets (exclusive of collateral held from securities lending) will be invested in the component securities of the underlying index. To the extent that the underlying index concentrates (*i.e.*, holds 25% or more of its total assets) in the securities of a particular industry or group of industries, the WisdomTree India Earnings Fund will concentrate its investments to approximately the same extent as the underlying index. The returns of the WisdomTree India Earnings Fund may be affected by certain management fees and other expenses, which are detailed in its prospectus.

The WisdomTree India Earnings Index

The underlying index is a weighted index that measures the performance of companies incorporated and traded in India that are profitable and that are eligible to be purchased by foreign investors as of the annual index rebalance.

The underlying index consists only of companies that:

- are incorporated in India;
- are listed on a major stock exchange in India;
- have generated at least \$5 million in earnings in their fiscal year prior to the annual index rebalance;
- have a market capitalization of at least \$200 million on the annual index rebalance;
- have an average daily dollar trading volume of at least \$200,000 for each of the six months prior to the annual index rebalance;
- have traded at least 250,000 shares per month for each of the six months prior to the annual index rebalance; and
- have a price to earnings ratio (P/E ratio) of at least 2 as of the annual index rebalance.

Companies are weighted in the underlying index based on reported net income in their fiscal year prior to the annual index rebalance. The reported net income number is then multiplied by a second factor developed by Standard & Poor's called the Investability Weighting Factor (IWF). The IWF is used to scale the earnings generated by each company by restrictions on shares available to be purchased. The product of the reported net income and IWF is known as the Earnings Factor. Companies are weighted by the proportion of each individual earnings factor relative to the sum of all earnings factors within the underlying index.

Notwithstanding the criteria used to determine and calculate the underlying index, no assurances can be given that the underlying index will have a positive return during the term of the Securities.

The maximum weight of any one sector in the underlying index, at the time of the underlying index's annual rebalance, is capped at 25%. In response to market conditions, sector weights may fluctuate above 25% between annual index rebalance dates.

WisdomTree Investments, Inc. (WTI), as index provider, currently uses Standard & Poor's Global Industry

Classification Standards to define companies in each sector of the underlying index. The following sectors are included in the underlying index: consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, telecommunication services, and utilities. A sector is comprised of multiple industry groups. For example, the energy sector is comprised of companies in, among others, the natural gas, oil and petroleum industries.

Market-Linked Step Up Notes

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Market-Linked Step Up Notes

Linked to an International Equity Index Basket and ETF Basket, due June 1, 2020

The following table shows the quarterly high and low Closing Market Prices of the shares of the EPI on its primary exchange from the first quarter of 2008 through the pricing date. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. These historical trading prices may have been adjusted to reflect certain corporate actions, such as stock splits and reverse stock splits.

		<u>High (\$)</u>	<u>Low (\$)</u>
2008	First Quarter	26.16	21.20
	Second Quarter	25.50	18.22
	Third Quarter	21.43	14.91
	Fourth Quarter	15.97	8.84
2009	First Quarter	12.12	8.95
	Second Quarter	18.92	11.47
	Third Quarter	21.03	15.85
	Fourth Quarter	22.34	19.18
2010	First Quarter	23.44	20.23
	Second Quarter	24.29	20.45
	Third Quarter	26.57	22.68
	Fourth Quarter	28.71	24.60
2011	First Quarter	26.68	21.94
	Second Quarter	25.51	22.25
	Third Quarter	24.38	18.15
	Fourth Quarter	20.58	15.49
2012	First Quarter	21.56	16.23
	Second Quarter	19.56	15.62
	Third Quarter	18.85	16.36
	Fourth Quarter	19.84	17.72
2013	First Quarter	20.50	17.75
	Second Quarter	19.18	15.48
	Third Quarter	16.83	13.32
	Fourth Quarter	17.64	15.54
2014	First Quarter	18.96	15.74
	Second Quarter	23.45	18.92
	Third Quarter	23.54	21.66
	Fourth Quarter	23.55	20.78
2015	First Quarter	24.33	21.40
	Second Quarter	23.77	20.67
	Third Quarter	22.42	17.76
	Fourth Quarter	21.14	18.51
2016			

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First Quarter	19.74	16.67
Second Quarter	20.42	18.67
Third Quarter	22.36	20.27