BofA Finance LLC
Form 424B2
July 23, 2018

Pricing Supplement
(To Prospectus dated November 4, 2016
and Series A Prospectus Supplement dated November 4, 2016)

Filed Pursuant to Rule 424(b)(2)
Registration Statement No. 333-213265

July 19, 2018

BofA Finance, LLC

$5,000,000

10-Year Issuer Callable Capped Notes Linked to the Difference Between the 30-Year and the 2-Year U.S. Dollar ICE Swap Rates, due July 23, 2028

Fully and Unconditionally Guaranteed by Bank of America Corporation

- The CUSIP number for the notes is **09709TFQ9**.
- The notes are unsecured senior notes issued by BofA Finance LLC ("BofA Finance"), a direct, wholly-owned subsidiary of Bank of America Corporation ("BAC" or the "Guarantor"). The notes are fully and unconditionally guaranteed by the Guarantor. All payments due on the notes, including the repayment of principal and any accrued and unpaid interest, will be subject to the credit risk of BofA Finance, as issuer of the notes, and BAC, as guarantor of the notes.
- The notes will be issued in minimum denominations of $1,000, and whole multiples of $1,000.
- The notes are designed for investors who wish to receive quarterly interest income, where, as described below, after the first anniversary of the issue date, the amount of such interest will depend on the Spread Differential (as defined below) as of the applicable interest determination date (as defined below).
- The notes will mature on July 23, 2028, unless previously called.
- Interest will be paid quarterly on January 23, April 23, July 23 and October 23 of each year, beginning on October 23, 2018, and ending on the maturity date.
- During the first four quarterly interest periods, interest on the notes will accrue at a fixed rate of 7.00% per annum.
- During each subsequent quarterly interest period beginning on July 23, 2019, interest on the notes will accrue at a rate per annum equal to the product of (a) 17.00 and (b) the amount by which the 30-Year U.S. Dollar ICE Swap Rate (which we refer to as "CMS30") exceeds the 2-Year U.S. Dollar ICE Swap Rate (which we refer to as "CMS2") on the applicable interest determination date, expressed as a percentage (such amount, which may be negative, the "Spread Differential"). In no event will the interest rate applicable to any interest period after the first year of the notes be greater than 10.00% per annum or less than 0.00% per annum.

For additional information as to the calculation of interest, please see the discussion beginning on page PS-13.

- At maturity, if the notes have not been previously redeemed, you will receive a cash payment equal to the principal amount of the notes, plus any accrued but unpaid interest.
- We may redeem all of the notes on any quarterly interest payment date occurring on or after July 23, 2019 (other than the maturity date) (the "Call Date"). If redeemed early, you will receive a cash payment equal to the principal amount of the notes, plus any accrued but unpaid interest to but excluding the Call Date.
- The notes will not be listed on any securities exchange.
- The notes have been offered at varying public offering prices related to prevailing market prices. The public offering price will include accrued interest from July 23, 2018, if settlement occurs after that date.
-

The initial estimated value of the notes is less than the public offering price. The initial estimated value of the notes as of July 19, 2018 (the "pricing date") is $939.50 per $1,000 in principal amount. See "Summary" beginning on page PS-3 of this pricing supplement, "Risk Factors" beginning on page PS-8 of this pricing supplement and "Structuring the Notes" on page PS-20 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.

The notes and the related guarantee:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value

	Per Note	Total
Public Offering Price	$1,000.00	$5,000,000
Underwriting Discount	$45.00	$ 225,000
Proceeds (before expenses) to BofA Finance	$955.00	$4,775,000

The notes and the related guarantee of the notes by the Guarantor are unsecured and are not savings accounts, deposits, or other obligations of a bank. The notes are not guaranteed by Bank of America, N.A. or any other bank, are not insured by the Federal Deposit Insurance Corporation (the "FDIC") or any other governmental agency and involve investment risks. Potential purchasers of the notes should consider the information in "Risk Factors" beginning on page PS-8 of this pricing supplement, page S-4 of the accompanying prospectus supplement, and page 7 of the accompanying prospectus. There are important differences between the notes and a conventional debt security, including different investment risks and certain additional costs.

None of the Securities and Exchange Commission, any state securities commission, or any other regulatory body has approved or disapproved of these notes or the guarantee, or passed upon the adequacy or accuracy of this pricing supplement, or the accompanying prospectus supplement or prospectus. Any representation to the contrary is a criminal offense.

We will deliver the notes in book-entry form only through The Depository Trust Company on July 23, 2018 against payment in immediately available funds.

<u>Prospectus Supplement and Prospectus dated November 4, 2016</u>

BofA Merrill Lynch

Selling Agent

TABLE OF CONTENTS

SUMMARY

The 10-Year Issuer Callable Capped Notes Linked to the Difference Between the 30-Year and the 2-Year U.S. Dollar ICE Swap Rates, due July 23, 2028 are our senior debt securities. The notes are senior debt securities issued by BofA Finance and are fully and unconditionally guaranteed by BAC. The notes and the related guarantee are not guaranteed or insured by the FDIC or secured by collateral. The notes will rank equally with all of our other unsecured and unsubordinated obligations from time to time outstanding, and the related guarantee will rank equally with all of BAC's other unsecured and unsubordinated obligations. All payments due on the notes, including the repayment of principal, will be subject to the credit risk of BofA Finance, as issuer, and BAC, as guarantor. Certain capitalized terms used and not defined in this pricing supplement have the meanings ascribed to them in the prospectus supplement and prospectus.

• **Title of the Series:**	10-Year Issuer Callable Capped Notes Linked to the Difference Between the 30-Year and the 2-Year U.S. Dollar ICE Swap Rates, due July 23, 2028
• **Issuer:**	BofA Finance LLC ("BofA Finance")
• **Guarantor:**	Bank of America Corporation ("BAC" or the "Guarantor")
• **Pricing Date:**	July 19, 2018
• **Issue Date:**	July 23, 2018
• **Maturity Date:**	July 23, 2028 (if not previously called by the Issuer)
• **Minimum Denominations:**	$1,000 and multiples of $1,000 in excess of $1,000
• **Interest Periods:**	Quarterly. Each interest period (other than the first interest period, which will begin on the issue date) will begin on, and will include, an interest payment date, and will extend to, but will exclude, the next succeeding interest payment date (or the maturity date, as applicable).
• **Interest Payment Dates:**	January 23, April 23, July 23 and October 23 of each year, beginning on October 23, 2018. The final interest payment will occur on the maturity date.
• **Interest Rates:**	*Fixed Rate Period.* From, and including, the issue date to, but excluding, July 23, 2019, the notes will bear interest at the fixed rate of 7.00% per annum. *Floating Rate Period.* From, and including, July 23, 2019 to, but excluding, the maturity date, interest will accrue quarterly at a rate per annum equal to: 17.00 × (CMS30 – CMS2) *In no event will the interest rate applicable to any interest period after the first four quarterly interest periods be greater than 10.00% per annum or less than 0.00% per annum.* The interest rate payable on the notes during these quarterly interest periods may be less than the interest that is payable on a conventional debt security.

· **Day Count Convention:**	30/360
· **CMS30 and CMS2:**	"CMS30" means the 30-Year U.S. Dollar ICE Swap Rate, expressed as a percentage, as quoted on the Reuters Screen ICESWAP1 Page, at 11:00 a.m., New York City time, on the applicable interest determination date. "CMS2" means the 2-Year U.S. Dollar ICE Swap Rate, expressed as a percentage, as quoted on the Reuters Screen ICESWAP1 Page, at 11:00 a.m., New York City time, on the applicable interest determination date. For additional information about CMS30 and CMS2, please see the section in this pricing supplement entitled "The 30-Year U.S. Dollar ICE Swap Rate (CMS30) and The 2-Year U.S. Dollar ICE Swap Rate (CMS2)."
· **Interest Determination Date:**	The "interest determination date" for each quarterly interest period after the first four quarterly interest periods will be the second U.S. Government Securities Business Day (as defined below) prior to the beginning of the applicable quarterly interest period. A "U.S. Government Securities Business Day" means any day, other than a Saturday, Sunday, or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.
· **Unavailability of CMS30 or CMS2:**	If, on any interest determination date, CMS30 or CMS2 is not quoted on the Reuters Screen ICESWAP1 Page, or any page substituted for that page, then the applicable CMS rate will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by three swap dealers chosen by the calculation agent (which may include one of our affiliates) at approximately 11:00 a.m., New York City time, on that date. For this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on the basis of a 360-day year consisting of twelve 30-day months, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to 30 years or 2 years, as applicable, commencing on the applicable date and in a representative amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on the actual number of days in a 360-day year, is equivalent to USD LIBOR with a designated maturity of three months. The calculation agent will request the principal New York City office of each of the three swap dealers chosen by it to provide a quotation of its rate. If at least three quotations are provided, the rate for the relevant interest determination date will be the arithmetic mean of the quotations. If two quotations are provided, the rate for the relevant interest determination date will be the arithmetic mean of the two quotations. If only one quotation is provided, the rate for the relevant interest determination date will equal that one quotation. If no quotations are available, then CMS30 or CMS2, as applicable, will be the rate the calculation agent, in its sole discretion, determines to be fair and reasonable under the circumstances at approximately 11:00 a.m., New York City time, on the relevant interest determination date.

· **Payment at Maturity:**	If not earlier redeemed, the payment at maturity will equal the principal amount of the notes, plus any accrued but unpaid interest.
• **Early Redemption at Our Option:**	On any Call Date, we have the right to redeem all, but not less than all, of the notes at the Early Redemption Payment. No further amounts will be payable following an early redemption. We will give notice to the trustee at least five business days but not more than 60 calendar days before the applicable Call Date.
· **Early Redemption Payment:**	The sum of the principal amount plus any accrued and unpaid interest to but excluding the Call Date.
• **Call Dates:**	The quarterly interest payment dates beginning on July 23, 2019 and ending on April 23, 2028.
• **Repayment at Option of Holder:**	None
• **Business Days:**	If any interest payment date, Call Date or the maturity date occurs on a day that is not a business day in New York, New York, then the payment will be postponed until the next business day in New York, New York. No additional interest will accrue on the notes as a result of such postponement, and no adjustment will be made to the length of the relevant interest period. A "business day" means any day other than a day on which banking institutions in New York, New York are authorized or required by law, regulation, or executive order to close or a day on which transactions in U.S. dollars are not conducted.
• **Record Dates for Interest Payments:**	For book-entry only notes, one business day in New York, New York prior to the payment date. If notes are not held in book-entry only form, the record dates will be the fifteenth calendar day preceding such interest payment day, whether or not such record date is a business day.
• **Calculation Agent:**	Merrill Lynch Capital Services, Inc. ("MLCS")
• **Listing:**	None
· **Initial Estimated Value:**	Payments on the notes depend on the credit risk of BofA Finance, as issuer, and BAC, as guarantor, and on the performance of CMS30 relative to CMS2. The economic terms of the notes are based on BAC's internal funding rate, which is the rate BAC would pay to borrow funds through the issuance of market-linked notes, and the economic terms of certain related hedging arrangements it enters into. 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 charges described below, reduced the economic terms of the notes to you and the initial estimated value of the notes. Due to these factors, the public offering price you pay to purchase the notes is greater than the initial estimated value of the notes. On the cover page of this pricing supplement, we have provided the initial estimated value for the notes as of the pricing date. For more information about the initial estimated value and the structuring of

the notes, see “Risk Factors” beginning on page PS-8 and “Structuring the Notes” on page PS-20.
You should read carefully this entire pricing supplement, prospectus supplement, and prospectus to understand fully the terms of the notes, as well as the tax and other considerations important to you in making a decision about whether to invest in the notes. In particular, you should review carefully the section in this pricing supplement entitled “Risk Factors,” which highlights a number of risks of an investment in the notes, to determine whether an investment in the notes is appropriate for you. If information in this pricing supplement is inconsistent with the prospectus supplement or prospectus, this pricing supplement will supersede those documents. You are urged to consult with your own attorneys and business and tax advisors before making a decision to purchase any of the notes.

The information in this “Summary” section is qualified in its entirety by the more detailed explanation set forth elsewhere in this pricing supplement and the accompanying prospectus supplement and prospectus. You should rely only on the information contained in this pricing supplement and the accompanying prospectus supplement and prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. None of us, the Guarantor or any selling agent is making an offer to sell these notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this pricing supplement, the accompanying prospectus supplement, and prospectus is accurate only as of the date on their respective front covers.

Capitalized terms used but not defined in this pricing supplement have the meanings set forth in the accompanying prospectus supplement and prospectus. Unless otherwise indicated or unless the context requires otherwise, all references in this pricing supplement to “we,” “us,” “our,” or similar references are to BofA Finance, and not to BAC (or any other affiliate of BofA Finance).

The above documents may be accessed at the link set forth on the cover page of this pricing supplement.

Examples: Below are three examples of the calculation of the annualized interest rate payable on a quarterly interest payment date occurring after July 23, 2019 for the notes. These examples are for purposes of illustration only. The actual annualized interest rate to be applied in calculating the interest payable on the notes for any quarterly interest period after the first four quarterly interest periods will depend on the actual levels of CMS30 and CMS2 and the actual Spread Differential (i.e., CMS30 – CMS2) on the applicable interest determination date.

Example 1: The **hypothetical** CMS30 is substantially greater than the **hypothetical** CMS2 on the interest determination date:

Hypothetical CMS30:L.80%

Hypothetical CMS2: 2.00%

17.0 × (4.80% – 2.00%) = 47.60%

Interest rate payable for that quarterly interest period = 10.00% per annum *(the interest rate cannot be greater than 10.00% per annum)*

Example 2: The **hypothetical** CMS30 is greater than the **hypothetical** CMS2 on the interest determination date:

Hypothetical CMS30:K.25%

Hypothetical CMS2: 2.85%

17.0 × (3.25% – 2.85%) = 6.80%

Interest rate payable for that quarterly interest period = 6.80% per annum

Example 3: The **hypothetical** CMS30 is less than the **hypothetical** CMS2 on the interest determination date:

Hypothetical CMS30:K.75%

Hypothetical CMS2: 3.95%

17.0 × (3.75% – 3.95%) = -3.40%

Interest rate payable for that quarterly interest period = 0.00% per annum *(the interest rate cannot be less than 0.00% per annum)*

RISK FACTORS

Your investment in the notes entails significant risks, many of which differ from those of a conventional debt security. Your decision to purchase the notes should be made only after carefully considering the risks of an investment in the notes, including those discussed below, with your advisors in light of your particular circumstances. The notes are not an appropriate investment for you if you are not knowledgeable about significant elements of the notes or financial matters in general.

It is possible that after the first four quarterly interest periods, you may not earn a return on your investment. The interest payable on the notes during any quarterly interest period, except for the first four quarterly interest periods, will depend on the Spread Differential, which will be determined as of the relevant interest determination date. As a result, you could receive little or no interest payments on one or more of the interest payment dates (except for the first four interest payment dates) during the term of the notes. After the first four quarterly interest periods, if CMS30 is less than or equal CMS2, the Spread Differential will be less than or equal to zero on the applicable interest determination date and you will not receive any interest for the relevant interest period. This will be the case for an interest period even if the Spread Differential exceeds zero on one or more days after the applicable interest determination date or during the interest period. If the Spread Differential is constantly less than or equal to zero on each interest determination date over the term of the notes, even if the Spread Differential exceeds zero during other days during each quarterly interest period, your return on the notes would be limited to the first four quarterly fixed interest payments.

We have no control over various matters, including economic, financial and political events, which may affect the levels of CMS30 and CMS2, and thus the Spread Differential. In recent years, the Spread Differential has been volatile, and such volatility may be expected in the future. However, historical performance is not necessarily indicative of what may occur in the future. You should have a view as to U.S. Dollar ICE Swap Rates and related interest rate movements, and must be willing to forgo guaranteed market rates of interest for most of the term of the notes, before investing.

Your return is limited by the cap on the interest rate. After the first four quarterly interest periods, the interest rate applicable to any interest period will be variable and will not be greater than 10.00% per annum. Accordingly, if the Spread Differential is greater than zero on any interest determination date during the term of the notes, your return on the notes may not reflect the full extent of the Spread Differential multiplied by 17.00.

Your return on the notes may be less than the yield on a conventional debt security of comparable maturity. The 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 that affect the time value of money.

The notes are subject to early redemption at our option. On each Call Date, at our option, we may redeem your notes in whole, but not in part. Even if we do not exercise our option to redeem your notes, our ability to do so may adversely affect the market value of your notes. It is our sole option whether to redeem your notes prior to maturity on any Call Date and we may or may not exercise this option for any reason. If your notes are redeemed early, you will not have the right to receive any future interest payments that you may otherwise have received. Further, if your notes are redeemed early, you may not be able to reinvest the early redemption payment at a comparable return for a similar level of risk.

All payments on the notes are subject to our credit risk and the credit risk of the Guarantor, 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. All payments on the notes 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 all payments of interest and principal on the notes will be dependent upon our ability and the ability of the Guarantor to repay our obligations under the notes on the applicable payment date, regardless of the difference between CMS30 and CMS2. No assurance can be given as to what our financial condition or the financial condition of the Guarantor will be at any time during the term of the notes or 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 of the notes 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 difference between CMS30 and CMS2 during the term of the notes, 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 and operations. We are a finance subsidiary of BAC 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 o