

Units  
\$10 principal amount per unit  
CUSIP No.

Pricing Date\* July , 2022  
Settlement Date\* August , 2022  
Maturity Date\* September , 2023  
\*Subject to change based on the actual date the notes are priced for initial sale to the public (the "pricing date")



## BofA Finance LLC

# Accelerated Return Notes<sup>®</sup> Linked to the ARK Innovation ETF Fully and Unconditionally Guaranteed by Bank of America Corporation

- Maturity of approximately 14 months
- 3-to-1 upside exposure to increases in the Underlying Fund, subject to a capped return of [50.00% to 54.00%]
- 1-to-1 downside exposure to decreases in the Underlying Fund, with 100% of your investment at risk
- The Underlying Fund is actively-managed and is subject to additional risks. Actively-managed ETFs have a manager or team making investment decisions and are in contrast to passively-managed ETFs which attempt to replicate the performance of an index or other benchmark. See "Additional Risk Factors" beginning on page TS-7 of this term sheet for more information.
- 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 \$0.05 per unit. See "Structuring the Notes"
- Limited secondary market liquidity, with no exchange listing

The notes are being issued by BofA Finance LLC ("BofAFinance") 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" and "Additional Risk Factors" beginning on page TS-6 of this term sheet, page PS-7 of the accompanying product supplement, page S-5 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 expected to be between \$9.21 and \$9.88 per unit, which is less than the public offering price listed below. See "Summary" on the following page, "Risk Factors" and "Additional Risk Factors" beginning on page TS-6 of this term sheet and "Structuring the Notes" on page TS-14 of this term sheet for additional information. The actual value of your notes at any time will reflect many factors and cannot be predicted with accuracy.

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.

	Per Unit	Total
Public offering price <sup>(1)</sup>	\$10.000	\$
Underwriting discount <sup>(1)</sup>	\$0.175	\$
Proceeds, before expenses, to BofA Finance	\$9.825	\$

- (1) For any purchase of 300,000 units or more in a single transaction by an individual investor or in combined transactions with the investor's household in this offering, the public offering price and the underwriting discount will be \$9.95 per unit and \$0.125 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
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## BofA Securities

July , 2022

## Summary

The Accelerated Return Notes® Linked to the ARK Innovation ETF, due September , 2023 (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 in right of payment with all of BofA Finance’s other unsecured and unsubordinated obligations, and the related guarantee will rank equally in right of payment with all of BAC’s other unsecured and unsubordinated obligations, in each case, except obligations that are subject to any priorities or preferences by law. 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 a leveraged return, subject to a cap, if the Ending Value of the Market Measure, which is the ARK Innovation ETF (the “Underlying Fund”), is greater than its 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 Underlying Fund, subject to our and BAC’s credit risk. See “Terms of the Notes” below.

The economic terms of the notes (including the Capped Value) 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, will reduce 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.

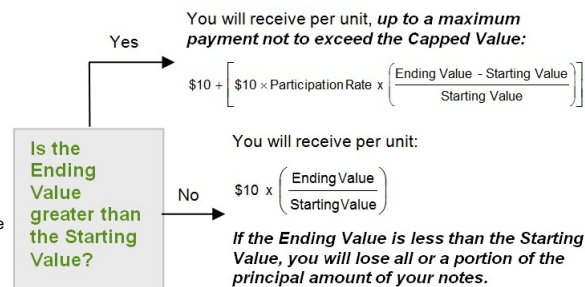
On the cover page of this term sheet, we have provided the initial estimated value range for the notes. This initial estimated value range was determined based on our, BAC’s and our other affiliates’ pricing models, which take into consideration BAC’s internal funding rate and the market prices for the hedging arrangements related to the notes. The initial estimated value of the notes calculated on the pricing date will be set forth in the final term sheet made available to investors in the notes. For more information about the initial estimated value and the structuring of the notes, see “Structuring the Notes” on page TS-14.

## Terms of the Notes

<b>Issuer:</b>	BofA Finance LLC (“BofA Finance”)
<b>Guarantor:</b>	Bank of America Corporation (“BAC”)
<b>Principal Amount:</b>	\$10.00 per unit
<b>Term:</b>	Approximately 14 months
<b>Market Measure:</b>	The ARK Innovation ETF (Bloomberg symbol: “ARKK”)
<b>Starting Value:</b>	The Closing Market Price of the Market Measure on the pricing date
<b>Ending Value:</b>	The average of the Closing Market Prices of the Market Measure times the Price Multiplier on each calculation day occurring during the maturity valuation period. The scheduled calculation days are subject to postponement in the event of Market Disruption Events, as described on page PS-26 of the accompanying product supplement.
<b>Price Multiplier:</b>	1, subject to adjustment for certain events relating to the Market Measure, as described beginning on page PS-29 of the accompanying product supplement
<b>Participation Rate:</b>	300%
<b>Capped Value:</b>	[\$15.00 to \$15.40] per unit, which represents a return of [50.00% to 54.00%] over the principal amount. The actual Capped Value will be determined on the pricing date.
<b>Maturity Valuation Period:</b>	Five scheduled calculation days shortly before the maturity date.
<b>Fees and Charges:</b>	The underwriting discount of \$0.175 per unit listed on the cover page and the hedging-related charge of \$0.05 per unit described in “Structuring the Notes” on page TS-14.
<b>Calculation Agent:</b>	BofA Securities, Inc. (“BofAS”), an affiliate of BofA Finance.

## Redemption Amount Determination

On the maturity date, you will receive a cash payment per unit determined as follows:



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

- Product supplement EQUITY ARN-1 dated May 20, 2020:  
<https://www.sec.gov/Archives/edgar/data/70858/000119312520147287/d924226d424b5.htm>
- Series A MTN prospectus supplement dated December 31, 2019 and prospectus dated December 31, 2019:  
<https://www.sec.gov/Archives/edgar/data/70858/000119312519326462/d859470d424b3.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 Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") or BofAS by calling 1-800-294-1322. Before you invest, you should read the Note Prospectus, including this term sheet, for information about us, BAC and this offering. Any prior or contemporaneous oral statements and any other written materials you may have received are superseded by the Note Prospectus. Capitalized terms used but not defined in this term sheet have the meanings set forth in the accompanying product supplement. 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:

- You anticipate that the Underlying Fund will increase moderately from the Starting Value to the Ending Value.
- You are willing to risk a loss of principal and return if the Underlying Fund decreases from the Starting Value to the Ending Value.
- You accept that the return on the notes will be capped.
- You are willing to forgo the interest payments that are paid on conventional interest bearing debt securities.
- You are willing to forgo dividends or other benefits of owning shares of the Underlying Fund or the securities held by the Underlying Fund.
- You seek a return based on an Underlying Fund that is actively-managed by an investment manager that bases its investment decisions on its belief that investments fit within what the investment manager defines as "disruptive innovation."
- You are willing to accept a limited or no market for sales prior to maturity, and understand that the market prices for the notes, if any, will be affected by various factors, including our and BAC's actual and perceived creditworthiness, BAC's internal funding rate and fees and charges on the notes.
- You are 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.

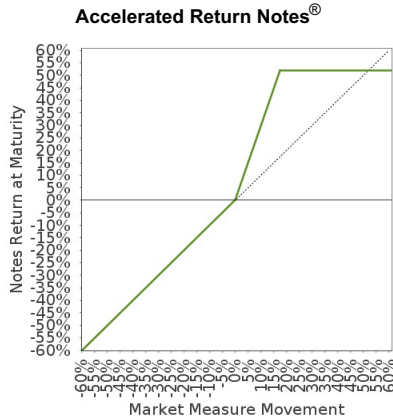
### The notes may not be an appropriate investment for you if:

- You believe that the Underlying Fund will decrease from the Starting Value to the Ending Value or that it will not increase sufficiently over the term of the notes to provide you with your desired return.
- You seek principal repayment or preservation of capital.
- You seek an uncapped return on your investment.
- You seek interest payments or other current income on your investment.
- You want to receive dividends or other distributions paid on shares of the Underlying Fund or the securities held by the Underlying Fund.
- You seek an investment that is based on an Underlying Fund that is not actively-managed, and instead tracks a benchmark, such as an index.
- 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.

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

## Hypothetical Payout Profile and Examples of Payments at Maturity

The below graph is based on **hypothetical** numbers and values.



This graph reflects the returns on the notes, based on the Participation Rate of 300% and a Capped Value of \$15.20 per unit (the midpoint of the Capped Value range of [\$15.00 to \$15.40]). The green line reflects the returns on the notes, while the dotted gray line reflects the returns of a direct investment in the Underlying Fund, 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 a hypothetical Starting Value of 100, the Participation Rate of 300%, a Capped Value of \$15.20 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 Starting Value, Ending Value, Capped 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 actual prices of the Underlying Fund, see "The Underlying Fund" section below. The Ending Value will not include any income generated by dividends paid on the Underlying Fund or the stocks included in the securities held by the Underlying Fund, 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%	\$0.00	-100.00%
50.00	-50.00%	\$5.00	-50.00%
80.00	-20.00%	\$8.00	-20.00%
90.00	-10.00%	\$9.00	-10.00%
94.00	-6.00%	\$9.40	-6.00%
97.00	-3.00%	\$9.70	-3.00%
100.00 <sup>(1)</sup>	0.00%	\$10.00	0.00%
102.00	2.00%	\$10.60	6.00%
110.00	10.00%	\$13.00	30.00%
117.34	17.34%	\$15.20 <sup>(2)</sup>	52.00%
120.00	20.00%	\$15.20	52.00%
130.00	30.00%	\$15.20	52.00%
140.00	40.00%	\$15.20	52.00%
150.00	50.00%	\$15.20	52.00%
160.00	60.00%	\$15.20	52.00%

(1) The **hypothetical** Starting Value of 100 used in these examples has been chosen for illustrative purposes only, and does not represent a likely actual Starting Value for the Market Measure.

(2) The Redemption Amount per unit cannot exceed the **hypothetical** Capped Value.

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## Accelerated Return Notes<sup>®</sup>

Linked to the ARK Innovation ETF, due September , 2023

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### Redemption Amount Calculation Examples

#### Example 1

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

Starting Value: 100.00

Ending Value: 80.00

$$\$10 \times \left( \frac{80}{100} \right) = \mathbf{\$8.00} \text{ Redemption Amount per unit}$$

#### Example 2

The Ending Value is 102.00, or 102.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 102.00

$$\$10 + \left[ \$10 \times 300\% \times \left( \frac{102-100}{100} \right) \right] = \mathbf{\$10.60} \text{ Redemption Amount per unit}$$

#### Example 3

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

Starting Value: 100.00

Ending Value: 130.00

$$\$10 + \left[ \$10 \times 300\% \times \left( \frac{130-100}{100} \right) \right] = \mathbf{\$19.00}, \text{ however, because the Redemption Amount for the notes cannot exceed the Capped Value, the Redemption Amount will be } \mathbf{\$15.20} \text{ per unit}$$

## Risk Factors

There are important differences between the notes and a conventional debt security. An investment in the notes involves significant risks, including those listed below. You should carefully review the more detailed explanation of risks relating to the notes in the "Risk Factors" sections beginning on page PS-7 of the accompanying product supplement, page S-5 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.

### Structure-related Risks

- Depending on the performance of the Underlying Fund as measured shortly before the maturity date, your investment may result in a loss; there is no guaranteed return of principal.
- Your return on the notes may be less than the yield you could earn by owning a conventional fixed or floating rate debt security of comparable maturity.
- Payments on the notes are subject to our credit risk, and the credit risk of BAC, and any actual or perceived changes in our or BAC's creditworthiness are expected to affect the value of the notes. If we and BAC become insolvent or are unable to pay our respective obligations, you may lose your entire investment.
- Your investment return is limited to the return represented by the Capped Value and may be less than a comparable investment directly in the Underlying Fund or the securities held by the Underlying Fund.
- We are a finance subsidiary and, as such, have no independent assets, operations or revenues.
- BAC's obligations under its guarantee of the notes will be structurally subordinated to liabilities of its subsidiaries.
- The notes issued by us will not have the benefit of any cross-default or cross-acceleration with other indebtedness of BofA Finance or BAC; events of bankruptcy or insolvency or resolution proceedings relating to BAC and covenant breach by BAC will not constitute an event of default with respect to the notes.

### Valuation- and Market-related Risks

- The initial estimated value of the notes considers certain assumptions and variables and relies in part on certain forecasts about future events, which may prove to be incorrect. The initial estimated value of the notes is an estimate only, determined as of a particular point in time by reference to our and our affiliates' pricing models. These pricing models consider certain assumptions and variables, including our credit spreads and those of BAC, BAC's internal funding rate on the pricing date, mid-market terms on hedging transactions, expectations on interest rates and volatility, price-sensitivity analysis, and the expected term of the notes. These pricing models rely in part on certain forecasts about future events, which may prove to be incorrect.
- The public offering price you pay for the notes will exceed 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 price of the Underlying Fund, changes in BAC's internal funding rate, and the inclusion in the public offering price of the underwriting discount and the hedging-related charge, all as further described in "Structuring the Notes" on page TS-14. These factors, together with various credit, market and economic factors over the term of the notes, are expected to reduce the price at which you may be able to sell the notes in any secondary market and will affect the value of the notes in complex and unpredictable ways.
- The initial estimated value does not represent a minimum or maximum price at which we, BAC, MLPF&S, BofAS or any of our other affiliates would be willing to purchase your notes in any secondary market (if any exists) at any time. The value of your notes at any time after issuance will vary based on many factors that cannot be predicted with accuracy, including the performance of the Underlying Fund, our and BAC's creditworthiness and changes in market conditions.
- A trading market is not expected to develop for the notes. None of us, BAC, MLPF&S or BofAS is obligated to make a market for, or to repurchase, the notes. There is no assurance that any party will be willing to purchase your notes at any price in any secondary market.

### Conflict-related Risks

- BAC and its affiliates' hedging and trading activities (including trades in shares of companies included in the Underlying Fund) and any hedging and trading activities BAC or its affiliates engage in that are not for your account or on your behalf, may affect the market value and return of the notes and may create conflicts of interest with you.
- There may be potential conflicts of interest involving the calculation agent, which is an affiliate of ours. We have the right to appoint and remove the calculation agent.

### Market Measure-related Risks

- The investment adviser of the Underlying Fund may adjust the Underlying Fund in a way that could adversely impact the value of the notes and the amount payable on the notes, and has no obligation to consider your interests.
- You will have no rights of a holder of the Underlying Fund or the securities held by the Underlying Fund, and you will not be entitled to receive securities or dividends or other distributions by the issuers of those securities.

- While BAC and our other affiliates may from time to time own securities of companies included in the Underlying Fund, we, BAC and our other affiliates do not control any company included in the Underlying Fund, and have not verified any disclosure made by any other company.
- There are liquidity and management risks associated with the Underlying Fund.
- The performance of the Underlying Fund may not correlate with the net asset value per share of the Underlying Fund, especially during periods of market volatility when the liquidity and the market price of shares of the Underlying Fund and/or securities held by the Underlying Fund may be adversely affected, sometimes materially.
- Risks associated with the securities of companies included in the Underlying Fund will affect the share price of the Underlying Fund and hence, the value of the notes.
- The payments on the notes will not be adjusted for all corporate events that could affect the Underlying Fund. See “Description of ARNs—Anti-Dilution and Discontinuance Adjustments Relating to Underlying Funds” beginning on page PS-29 of the accompanying product supplement.

## **Tax-related Risks**

- The U.S. federal income tax consequences of the notes are uncertain, and may be adverse to a holder of the notes. See “Summary Tax Consequences” below and “U.S. Federal Income Tax Summary” beginning on page PS-38 of the accompanying product supplement.

## Additional Risk Factors

### **The Underlying Fund is subject to risks associated with actively-managed funds.**

The Underlying Fund is an “actively-managed ETF,” meaning that the Underlying Fund has a manager or team making investment decisions. Actively-managed ETFs are in contrast to ETFs which follow a passive investment strategy to replicate the performance of a given benchmark, such as an index. As an actively-managed ETF, the Underlying Fund is subject to management risk. The investment adviser of a fund applies investment strategies, techniques and analyses in making investment decisions for that fund, but there can be no guarantee that these actions will produce the intended results. The investment adviser may adopt a strategy or strategies that are significantly higher risk than the indexing strategy that would have been employed by a passively-managed fund. In addition, the Underlying Fund’s investment objective is non-fundamental and may be changed without shareholder approval. The ability of the adviser to the Underlying Fund to successfully implement the Underlying Fund’s investment strategy will significantly influence the Underlying Fund’s performance. It is possible that an actively-managed ETF may perform worse, and possibly significantly worse, than ETFs which follow a more passive investment strategy. The ability of the investment adviser to successfully implement the investment strategy will significantly influence the market price of the shares of the ETF and, consequently, the value of the notes.

### **The Underlying Fund is subject to risks associated with disruptive innovation companies.**

The Underlying Fund’s investment strategy involves exposure to companies that its investment adviser believes are capitalizing on what it defines as “disruptive innovation”, which, in the adviser’s view, would be companies that rely on or benefit from developing technologies to displace older technologies or create new markets in certain areas of focus (“disruptive innovation companies”). However, the companies selected by the investment adviser may not in fact do so. Companies that initially develop a novel technology may not be able to capitalize on the technology. Companies that develop disruptive technologies may face political or legal attacks from competitors, industry groups or local and national governments. These companies may also be exposed to risks applicable to sectors other than the disruptive innovation theme for which they are chosen, and the securities issued by these companies may underperform the securities of other companies that are primarily focused on a particular theme. The Underlying Fund may invest in companies that do not currently derive any revenue from disruptive innovations or technologies, and there is no assurance that any company will derive any revenue from disruptive innovations or technologies in the future. In addition, disruptive innovation or technology may constitute only a small portion of any company’s overall business. As a result, the success of a disruptive innovation or technology may not affect the value of the equity securities issued by that company.

### **The notes may not be an appropriate investment for all investors seeking exposure to disruptive innovation companies.**

The Underlying Fund’s investment strategy involves exposure to companies that its investment adviser believes are disruptive innovation companies. The determination as to whether a given company should be considered a disruptive innovation company will be made by the Underlying Fund’s investment advisor using criteria it has developed, and any such determination may differ from your views or expectations. Furthermore, the Underlying Fund’s investment strategy or criteria for following such investment strategy may change subsequent to your purchase of the notes, and the investment advisor has no obligation to consider your interests in making any such changes. In addition, the Underlying Fund will invest, under normal circumstances, primarily (at least 65% of its assets) in equity securities of companies relevant to the disruptive innovation theme; as a result, some of the Underlying Fund’s holdings may not be relevant to the disruptive innovation theme. Before investing in the notes, you should consider the disclosure in “The Underlying Fund” below to ensure you understand the Underlying Fund’s investment strategy and criteria for following such investment strategy and understand that such strategy and criteria is subject to change.

### **A limited number of equity securities held by the Underlying Fund may affect its price.**

As of July 13, 2022, the top three equity securities held by the Underlying Fund constituted 25.30% of the total weight of the Underlying Fund and the top eight equity securities held by the Underlying Fund constituted 50.60% of the total weight of the Underlying Fund.

Given this concentration, any reduction in the market price of those securities is likely to have a substantial adverse impact on the price of the Underlying Fund and the value of the notes.

**An investment in the notes involves risks associated with micro-, small- and mid-size capitalization companies.**

Some of the equity securities held by the Underlying Fund are issued by companies with micro-, small- and mid-sized market capitalization. The stock prices of micro-, small- and mid-sized companies may be more volatile than stock prices of large capitalization companies. Micro-, small- and mid-sized capitalization companies may be less able to withstand adverse economic, market, trade and competitive conditions relative to larger companies. Micro-, small- and mid-sized companies may also be more susceptible to adverse developments related to their products or services.

**The notes may be subject to risks relating to cryptocurrencies and related investments.**

The Underlying Fund may have exposure to cryptocurrencies, such as bitcoin, indirectly through investment funds, including through an investment in the Grayscale Bitcoin Trust ("GBTC"), a privately offered, open-end investment vehicle. Cryptocurrencies are digital assets designed to act as a medium of exchange and do not represent legal tender. Cryptocurrency generally operates without central authority or banks and is not backed by any government. Cryptocurrencies are susceptible to theft, loss, destruction and fraud. Cryptocurrency is an emerging asset class, and regulation in the United States is still developing, including with respect to market integrity, anti-fraud, anti-manipulation, cybersecurity, surveillance and anti-money laundering. Federal, state and/or foreign governments may restrict the use and exchange of cryptocurrencies. The market prices of bitcoin and other cryptocurrencies have been subject to extreme fluctuations. Even when held indirectly, investment vehicles like GBTC may be affected by the high volatility associated with cryptocurrency exposure. Holding a privately offered investment vehicle in its portfolio may cause the Underlying Fund to trade at a discount to its net asset value. If cryptocurrency markets continue to be subject to sharp fluctuations, the Underlying Fund and the notes may be adversely affected. In addition, the share prices of GBTC and other similar investment vehicles that are not listed on a national securities exchange may be more volatile than listed securities because there is generally less liquidity in these securities and there may be less publicly available information about them or their issuers. Cryptocurrency exchanges and other trading venues on which cryptocurrencies trade are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure than established, regulated exchanges for securities, derivatives and other currencies. Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers or malware, which may also affect the prices of cryptocurrencies. Events that negatively affect cryptocurrencies may negatively affect the performance of the Underlying Fund and the notes.

**An investment in the notes involves risks associated with investments that are linked to the equity securities of issuers from emerging markets.**

Some of the issuers included in the Underlying Fund are based in emerging market nations. Emerging market nations are undergoing rapid institutional change, including the restructuring of economic, political, financial, and legal systems. The regulatory and tax environments in these nations may be subject to change without review or appeal, and many emerging markets suffer from underdevelopment of their capital markets and their 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. It may be more difficult for an investor in these markets to monitor investments in these companies, because these companies may be subject to fewer disclosure requirements than companies in developed markets, and economic and financial data about some of these countries may be unreliable.

**An investment in the notes involves risks associated with foreign securities markets.**

Some of the equity securities held by the Underlying Fund are foreign equity securities. You should be aware that investments in securities linked to the value of foreign equity securities involve particular risks. The foreign securities markets reflected in the Underlying Fund's portfolio may have less liquidity and may be more volatile than U.S. or other securities markets and market developments may affect foreign markets differently from U.S. or other securities markets. Direct or indirect government intervention to stabilize these foreign securities markets, as well as cross-shareholdings in foreign companies, may affect trading prices and volumes in these markets. Also, there is generally less publicly available information about foreign companies than about those U.S. companies that are subject to the reporting requirements of the SEC, and foreign companies are subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies.

Prices of securities in foreign countries are subject to political, economic, financial and social factors that apply in those geographical regions. These factors, which could negatively affect those securities markets, include the possibility of recent or future changes in a foreign government's economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to foreign companies or investments in foreign equity securities and the possibility of fluctuations in the rate of exchange between currencies, the possibility of outbreaks of hostility and political instability and the possibility of natural disaster or adverse public health developments in the region. Moreover, foreign economies may differ favorably or unfavorably from the U.S. economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

**The notes are subject to foreign currency exchange rate risk.**

The Underlying Fund holds securities traded outside of the United States. Its share price will fluctuate based upon its net asset value, which will in turn depend in part upon changes in the value of the currencies in which the securities held by the Underlying Fund are traded. Accordingly, investors in the notes will be exposed to currency exchange rate risk with respect to each of the currencies in which the securities held by the Underlying Fund are traded. An investor's net exposure will depend on the extent to which these currencies



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## Accelerated Return Notes<sup>®</sup>

Linked to the ARK Innovation ETF, due September , 2023

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strengthen or weaken against the U.S. dollar. If the dollar strengthens against these currencies, the net asset value of the Underlying Fund will be adversely affected and the price of the Underlying Fund may decrease.

**The Underlying Fund has limited actual historical information.**

The Underlying Fund commenced trading on October 31, 2014. Because the Underlying Fund is of relatively recent origin and limited actual historical performance data exists, your investment in the Notes may involve a greater risk than investing in notes linked to an underlying fund with a more established record of performance.

## The Underlying Fund

All disclosures contained in this term sheet regarding the Underlying Fund, including, without limitation, its make-up, method of its calculation, and changes in its components, have been derived from publicly available sources. The information reflects the policies of, and is subject to change by, ARK ETF Trust. The consequences of any discontinuance of the Underlying Fund are discussed in the section entitled "Description of ARNs—Anti-Dilution and Discontinuance Adjustments Relating to Underlying Funds—Discontinuance of or Material Change to an Underlying Fund" beginning on page PS-32 of the accompanying product supplement. None of us, the calculation agents, or MLPF&S accepts any responsibility for the calculation, maintenance, or publication of the Underlying Fund or any successor fund.

### The ARK Innovation ETF

The ARKK is classified as a "non-diversified" investment company under the Investment Company Act of 1940, which means that it may invest a high percentage of its assets in a limited number of issuers. As an actively-managed fund, the ARKK is subject to management risk. In managing the ARKK, ARK Investment Management LLC ("ARK LLC") applies investment strategies, techniques and analyses in making investment decisions for the ARKK, but there can be no guarantee that these actions will produce the intended results. The ability of ARK LLC to successfully implement the ARKK's investment strategy will significantly influence the ARKK's performance.

The ARK ETF Trust is a registered investment company that consists of numerous separate investment portfolios, including the ARKK. Information provided to or filed with the SEC by the ARK ETF Trust pursuant to the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended, can be located by reference to SEC file numbers 333-191019 and 811-22883, respectively, through the SEC's website at <http://www.sec.gov>. The shares of the ARKK trade on the NYSE Arca under the ticker symbol "ARKK".

The investment objective of the ARKK is long-term growth of capital. The ARKK will invest under normal circumstances primarily (at least 65% of its assets) in domestic and foreign equity securities of companies that are relevant to the ARKK's investment theme of disruptive innovation. ARK LLC defines "disruptive innovation" as the introduction of a technologically enabled new product or service that potentially changes the way the world works. ARK LLC believes that companies relevant to this theme are those that rely on or benefit from the development of new products or services, technological improvements and advancements in scientific research relating to the areas of genomics (which ARK LLC defines as the study of genes and their functions, and related techniques) ("Genomic Revolution Companies"); innovation in automation and manufacturing ("Automation Transformation Companies"), transportation, energy ("Energy Transformation Companies"), artificial intelligence ("Artificial Intelligence Companies") and materials; the increased use of shared technology, infrastructure and services ("Next Generation Internet Companies"); and technologies that make financial services more efficient ("FinTech Innovation Companies"). The types of companies that ARK LLC believes are genomic revolution companies, automation transformation companies, energy transformation companies, artificial intelligence companies, next generation internet companies or fintech innovation companies are described below:

- **Genomic Revolution Companies:** Companies that ARK LLC believes are substantially focused on and are expected to substantially benefit from extending and enhancing the quality of human and other life by incorporating technological and scientific developments, improvements and advancements in genomics into their business, such as by offering new products or services that rely on genomic sequencing (which ARK LLC defines as techniques that allow researchers to read and decipher the genetic information found in the DNA, including the DNA of bacteria, plants, animals and human beings), analysis, synthesis or instrumentation. These companies may include ones across multiple sectors, such as healthcare, information technology, materials, energy and consumer discretionary. These companies may also develop, produce, manufacture or significantly rely on or enable bionic devices, bio-inspired computing, bioinformatics (which ARK LLC defines as the science of collecting and analyzing complex biological data such as genetic codes), molecular medicine and agricultural biotechnology.
- **Automation Transformation Companies:** Companies that ARK LLC believes are focused on man capitalizing on the productivity of machines, such as through the automation of functions, processes or activities previously performed by human labor, such as transportation through an emphasis on mobility as a service, or the use of robotics to perform other functions, activities or processes.
- **Energy Transformation Companies:** Companies that ARK LLC believes seek to capitalize on innovations or evolutions in: (i) ways that energy is stored or used; (ii) the discovery, collection and/or implementation of new sources of energy, including unconventional sources of oil or natural gas; and/or (iii) the production or development of new materials for use in commercial applications of energy production, use or storage.
- **Artificial Intelligence Companies:** Companies that ARK LLC considers to be Artificial Intelligence ("AI") Companies include a company that: (i) designs, creates, integrates, or delivers robotics, autonomous technology, and/or AI in the form of products, software, or systems; (ii) develops the building block components for robotics, autonomous technology, or AI, such as advanced machinery, semiconductors and databases used for machine learning; (iii) provides its own value-added services on top of such building block components, but are not core to the company's product or service offering; and/or (iv) develops computer systems that are able to perform tasks that normally require human intelligence, such as visual perception, speech recognition, decision-making, and translation between languages.

- *Next Generation Internet Companies:* Companies that ARK LLC believes are focused on and expected to benefit from shifting the bases of technology infrastructure from hardware and software to the cloud, enabling mobile and local services, such as companies that rely on or benefit from the increased use of shared technology, infrastructure and services. These companies may include mail order houses which generate the entirety of their business through websites and which offer internet-based products and services, such as streaming media or cloud storage in addition to traditional physical goods. These companies may also include ones that develop, use or rely on innovative payment methodologies, big data, the “internet of things” (which ARK LLC defines as a system of interrelated computing devices, mechanical and digital machines, or physical objects that are provided unique identifiers and the ability to transfer data over a network without requiring human-to-human or human-to-computer interaction), machine learning, and social distribution and media.
- *Fintech Innovation Companies:* Companies that ARK LLC believes are focused on and expected to benefit from the shifting of the financial sector and economic transactions to technology infrastructure platforms, and technological intermediaries. Fintech Innovation Companies may also develop, use or rely on innovative payment platforms and methodologies, point of sale providers, e-commerce, transactional innovations, business analytics, fraud reduction, frictionless funding platforms, peer-to-peer lending, blockchain technologies (which ARK LLC defines as a peer-to-peer distributed ledger that is secured using cryptography), intermediary exchanges, asset allocation technology, cryptocurrency (which ARK LLC defines as digital assets designed to act as a medium of exchange), mobile payments, and risk pricing and pooling aggregators. The Underlying Fund may have exposure to cryptocurrency, such as bitcoin, indirectly through an investment in a grantor trust. The Underlying Fund’s exposure to cryptocurrency may change over time and, accordingly, such exposure may not always be represented in the Underlying Fund’s portfolio.

In selecting companies that ARK LLC believes are relevant to a particular investment theme, ARK LLC seeks to identify, using its own internal research and analysis, companies capitalizing on disruptive innovation or that are enabling the further development of a theme in the markets in which they operate. The ARKK’s investment objective is non-fundamental and may be changed without shareholder approval.

ARK LLC will select investments for the ARKK that represent its highest-conviction investment ideas within the theme of disruptive innovation above, in constructing the ARKK’s portfolio. ARK LLC’s process for identifying Genomic Revolution Companies, Automation Transformation Companies, Energy Transformation Companies, Artificial Intelligence Companies, Next Generation Internet Companies and FinTech Innovation Companies uses both “top down” (thematic research sizing the potential total available market, and surfacing the prime beneficiaries) and “bottom up” (valuation, fundamental and quantitative measures) approaches. In both approaches, ARK LLC evaluates environmental, social, and governance (ESG) considerations. In its “top down” approach, ARK LLC uses the framework of the United Nations Sustainable Development Goals to integrate ESG considerations into its research and investment process. ARK LLC, however, does not use ESG considerations to limit, restrict or otherwise exclude companies or sectors from the Underlying Fund’s investment universe. In its “bottom up” approach, ARK LLC makes its investment decisions primarily based on its analysis of the potential of individual companies, while integrating ESG considerations into that process. ARK LLC’s highest-conviction investment ideas are those that it believes present the best risk-reward opportunities.

## Accelerated Return Notes<sup>®</sup>

Linked to the ARK Innovation ETF, due September , 2023

The following graph shows the daily historical performance of the Underlying Fund in the period from October 31, 2014 (the date ARKK began trading) through July 12, 2022. 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 July 12, 2022, the closing price per share of the Underlying Fund was \$44.32.



***This historical data on the Underlying Fund is not necessarily indicative of the future performance of the Underlying Fund or what the value of the notes may be. Any historical upward or downward trend in the level of the Underlying Fund during any period set forth above is not an indication that the level of the Underlying Fund 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 Underlying Fund.

## Supplement to the Plan of Distribution; Conflicts of Interest

Under our distribution agreement with BofAS, BofAS will purchase the notes from us as principal at the public offering price indicated on the cover of this term sheet, less the indicated underwriting discount.

MLPF&S will purchase the notes from BofAS for resale, and will receive a selling concession in connection with the sale of the notes in an amount up to the full amount of underwriting discount set forth on the cover of this term sheet.

MLPF&S and BofAS, each a broker-dealer subsidiary of BAC, are members of the Financial Industry Regulatory Authority, Inc. ("FINRA") and will participate as selling agent in the case of BofAS, and as dealer, in the case of MLPF&S, in the distribution of the notes. Accordingly, offerings of the notes will conform to the requirements of Rule 5121 applicable to FINRA members. Neither BofAS nor MLPF&S may make sales in this offering to any of its discretionary accounts without the prior written approval of the account holder.

We may deliver the notes against payment therefor in New York, New York on a date that is greater than two business days following the pricing date. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if the initial settlement of the notes occurs more than two business days from the pricing date, purchasers who wish to trade the notes more than two business days prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

The notes will not be listed on any securities exchange. In the original offering of the notes, the notes will be sold in minimum investment amounts of 100 units. If you place an order to purchase the notes, you are consenting to MLPF&S and/or one of its affiliates acting as a principal in effecting the transaction for your account.

MLPF&S and BofAS may repurchase and resell the notes, with repurchases and resales being made at prices related to then-prevailing market prices or at negotiated prices, and these will include MLPF&S's and BofAS's trading commissions and mark-ups or mark-downs. MLPF&S and BofAS may act as principal or agent in these market-making transactions; however, neither is obligated to engage in any such transactions. At their discretion, for a short, undetermined initial period after the issuance of the notes, MLPF&S and BofAS may offer to buy the notes in the secondary market at a price that may exceed the initial estimated value of the notes. Any price offered by MLPF&S or BofAS for the notes will be based on then-prevailing market conditions and other considerations, including the performance of the Underlying Fund and the remaining term of the notes. However, neither we nor any of our affiliates is obligated to purchase your notes at any price, or at any time, and we cannot assure you that we or any of our affiliates will purchase your notes at a price that equals or exceeds the initial estimated value of the notes.

The value of the notes shown on your account statement will be based on BofAS's estimate of the value of the notes if BofAS or another of our affiliates were to make a market in the notes, which it is not obligated to do. That estimate will be based upon the price that BofAS may pay for the notes in light of then-prevailing market conditions and other considerations, as mentioned above, and will include transaction costs. At certain times, this price may be higher than or lower than the initial estimated value of the notes.

An investor's household, as referenced on the cover of this term sheet, will generally include accounts held by any of the following, as determined by MLPF&S in its discretion and acting in good faith based upon information then available to MLPF&S:

- the investor's spouse (including a domestic partner), siblings, parents, grandparents, spouse's parents, children and grandchildren, but excluding accounts held by aunts, uncles, cousins, nieces, nephews or any other family relationship not directly above or below the individual investor;
- a family investment vehicle, including foundations, limited partnerships and personal holding companies, but only if the beneficial owners of the vehicle consist solely of the investor or members of the investor's household as described above; and
- a trust where the grantors and/or beneficiaries of the trust consist solely of the investor or members of the investor's household as described above; provided that, purchases of the notes by a trust generally cannot be aggregated together with any purchases made by a trustee's personal account.

Purchases in retirement accounts will not be considered part of the same household as an individual investor's personal or other non-retirement account, except for individual retirement accounts ("IRAs"), simplified employee pension plans ("SEPs"), savings incentive match plan for employees ("SIMPLEs"), and single-participant or owners only accounts (i.e., retirement accounts held by self-employed individuals, business owners or partners with no employees other than their spouses).

Please contact your Merrill financial advisor if you have any questions about the application of these provisions to your specific circumstances or think you are eligible.

## Structuring the Notes

The notes are our debt securities, the return on which is linked to the performance of the Underlying Fund. The related guarantees are BAC's obligations. As is the case for all of our and BAC's respective debt securities, including our market-linked notes, the economic terms of the notes reflect our and BAC's actual or perceived creditworthiness at the time of pricing. In addition, because market-linked notes result in increased operational, funding and liability management costs to us and BAC, BAC typically borrows the funds under these types of notes at a rate that is more favorable to BAC than the rate that it might pay for a conventional fixed or floating rate debt security. This rate, which we refer to in this term sheet as BAC's internal funding rate, is typically lower than the rate BAC would pay when it issues conventional fixed or floating rate debt securities. This generally relatively lower internal funding rate, which is reflected in the economic terms of the notes, along with the fees and charges associated with market-linked notes, typically results in the initial estimated value of the notes on the pricing date being less than their public offering price.

At maturity, we are required to pay the Redemption Amount to holders of the notes, which will be calculated based on the performance of the Underlying Fund and the \$10 per unit principal amount. In order to meet these payment obligations, at the time we issue the notes, we may choose to enter into certain hedging arrangements (which may include call options, put options or other derivatives) with BofAS or one of our other affiliates. The terms of these hedging arrangements are determined by seeking bids from market participants, including MLPF&S, BofAS and its affiliates, and take into account a number of factors, including our and BAC's creditworthiness, interest rate movements, the volatility of the Underlying Fund, the tenor of the notes and the tenor of the hedging arrangements. The economic terms of the notes and their initial estimated value depend in part on the terms of these hedging arrangements.

BofAS has advised us that the hedging arrangements will include a hedging-related charge of \$0.05 per unit, reflecting an estimated profit to be credited to BofAS from these transactions. Since hedging entails risk and may be influenced by unpredictable market forces, additional profits and losses from these hedging arrangements may be realized by BofAS or any third party hedge providers.

For further information, see "Risk Factors—General Risks Relating to ARNs" beginning on page PS-7 and "Use of Proceeds" on page PS-22 of the accompanying product supplement.

## Summary Tax Consequences

You should consider the U.S. federal income tax consequences of an investment in the notes, including the following:

- There is no statutory, judicial, or administrative authority directly addressing the characterization of the notes.
- You agree with us (in the absence of an administrative determination, or judicial ruling to the contrary) to characterize and treat the notes for all tax purposes as a single financial contract with respect to the Underlying Fund.
- Under this characterization and tax treatment of the notes, a U.S. Holder (as defined beginning on page 38 of the prospectus) generally will recognize capital gain or loss upon maturity or upon a sale or exchange of the notes prior to maturity. This capital gain or loss generally will be long-term capital gain or loss if you held the notes for more than one year.
- No assurance can be given that the Internal Revenue Service (“IRS”) or any court will agree with this characterization and tax treatment.
- Under current IRS guidance, withholding on “dividend equivalent” payments (as discussed in the product supplement), if any, will not apply to notes that are issued as of the date of this term sheet unless such notes are “delta-one” instruments.

**You should consult your own tax advisor concerning the U.S. federal income tax consequences to you of acquiring, owning, and disposing of the notes, as well as any tax consequences arising under the laws of any state, local, foreign, or other tax jurisdiction and the possible effects of changes in U.S. federal or other tax laws. You should review carefully the discussion under the section entitled “U.S. Federal Income Tax Summary” beginning on page PS-38 of the accompanying product supplement.**

## Where You Can Find More Information

We and BAC have filed a registration statement (including a product supplement, a prospectus supplement, and a prospectus) with the SEC for the offering to which this term sheet relates. Before you invest, you should read the Note Prospectus, including this term sheet, and the other documents relating to this offering that we and BAC have filed with the SEC, for more complete information about us, BAC and this offering. You may get these documents without cost by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). Alternatively, we, any agent, or any dealer participating in this offering will arrange to send you these documents if you so request by calling MLPF&S or BofAS toll-free at 1-800-294-1322.

“Accelerated Return Notes®” and “ARNs®” are BAC’s registered service marks.

