

Nasdaq Fast Convergence Index, Powered by BofA

General Information

ASSET CLASS	Equity
BLOOMBERG TICKER	BOFANFCC
CURRENCY	USD
RETURN TYPE	Excess Return
VOLATILITY TARGET	12.5%
REBALANCING	Intraday
BASE DATE	08-Feb-2005
LIVE DATE	29-Jan-2020
INDEX CALCULATION AGENT	Merrill Lynch International
EXTERNAL CALCULATOR	Evalueserve

Index Components

Sector	
Equities	Exposure as of August 31, 2021
Nasdaq 100 TR Index (XNDX)	123.47% ^{1,2}

¹The only exposure in the Nasdaq FC Index is to the Nasdaq 100 TR Index, rebalanced with cash to target a 12.5% volatility. Maximum exposure to XNDX is 175%. Minimum exposure is 0%, with 100% in cash.

²As of August 31, 2021. Nasdaq FC Index includes a 4% monthly cap rebalancing daily; BOFANFCC is the uncapped index with exposure to XNDX Index. Exposure numbers refer to the exposure of the uncapped index (BOFANFCC) to the Nasdaq-100 TR Index.

Index Overview

The Nasdaq Fast Convergence Index (“Nasdaq FC Index”) powered by BofA uses an innovative technology (patent-pending) which aims to reduce risk and improve performance by adapting faster to changing market conditions. The Nasdaq FC Index is designed with the goal of improving participation rates in an index-linked product.

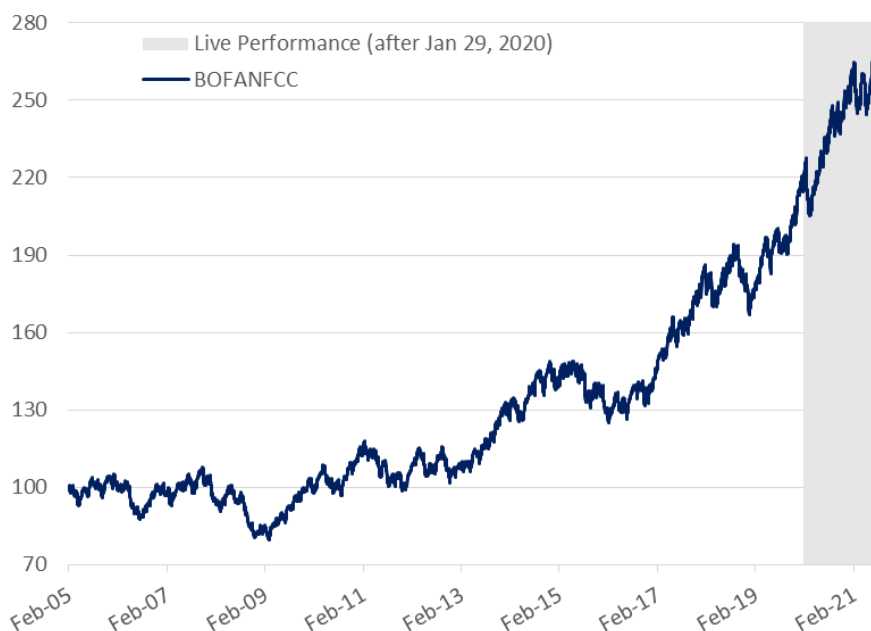
Access an index known for innovation: Since its inception over 30 years ago, the Nasdaq-100 Index has become one of the world’s preeminent large-cap growth indexes. The Nasdaq-100 Index is home to some of the world’s most innovative companies—including Apple, Google, Intel and Amazon.

Apply Fast Convergence technology to adapt faster to changing market conditions: The Nasdaq FC Index targets a 12.5% annualized volatility by applying Fast Convergence technology. By systematically monitoring market moves and rebalancing throughout the trading day, FC technology aims to more efficiently control the realized volatility of an index. Traditional approaches to risk management and portfolio construction have generally relied on longer time horizons to both measure and respond to changes in market volatility. Historically, higher volatility periods have coincided with negative market performance.

Employ a performance control mechanism to improve participation: Each day, a portion of the returns of the Nasdaq FC Index is capped at 4% for the preceding one month period. This performance cap aims to improve participation rates in indexed products, however, there is no limit to downside returns included in the Nasdaq FC Index.

Back-tested & Actual Index Performance

February 8, 2005 – August 31, 2021



Source: Bloomberg, BofA Securities The Nasdaq FC Index (BOFANFCC) includes a monthly performance cap rebalanced daily, and was created on 29-Jan-2020. Levels for the Index before 29-Jan-2020 represents hypothetical data determined by retroactive application of a backtested model, itself designed with the benefit of hindsight. **Past performance is not indicative of future performance.** Actual performance will vary, perhaps materially, from the performance set forth herein. The performance of the Index includes a 50bps fee drag and does not include fees or costs of any financial instrument referencing the index.

Monthly Fact Sheet

August 2021

Back-tested & Actual Monthly Performance³

Source: BofA Securities, Bloomberg (February 8, 2005 – August 31, 2021)

As of:	YTD Return	1yr Return	2yr Return	3yr CAGR	5yr CAGR	10yr CAGR
8/31/2021	7.47%	11.26%	41.92%	12.25%	14.80%	10.22%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	0.20%	-1.81%	-0.08%	2.55%	-2.19%	5.02%	0.14%	3.63%					
2020	0.68%	-1.81%	-0.86%	4.46%	2.03%	2.06%	2.89%	5.18%	-1.58%	-2.37%	5.11%	2.49%	19.43%
2019	3.58%	2.08%	3.48%	4.80%	-5.60%	5.17%	0.76%	-1.49%	0.21%	3.74%	3.25%	3.01%	24.95%
2018	6.59%	-2.82%	-4.34%	-0.37%	3.75%	0.80%	2.61%	5.52%	-0.42%	-6.05%	-0.55%	-5.22%	-1.42%
2017	5.15%	4.23%	1.89%	3.30%	2.67%	-4.16%	4.57%	1.76%	-1.85%	5.75%	0.63%	0.28%	26.50%
2016	-4.51%	-2.02%	5.82%	-4.04%	3.62%	-4.12%	6.18%	0.44%	1.64%	-2.02%	-0.78%	0.92%	0.40%
2015	-2.08%	5.56%	-1.72%	0.85%	1.38%	-3.76%	2.21%	-6.86%	-1.78%	5.79%	-1.07%	-1.23%	-3.39%
2014	-3.38%	4.67%	-3.28%	-1.32%	3.57%	2.73%	0.34%	5.53%	-1.49%	0.98%	3.67%	-5.00%	6.55%
2013	1.81%	-0.13%	2.27%	0.94%	2.30%	-2.14%	5.29%	-1.31%	4.57%	3.64%	3.79%	2.48%	25.86%
2012	5.93%	3.79%	3.39%	-1.38%	-6.23%	2.11%	-1.00%	4.69%	-0.17%	-4.51%	0.21%	-1.32%	4.85%
2011	2.29%	2.05%	-0.23%	0.01%	-2.15%	-3.76%	0.18%	-3.88%	-2.28%	3.16%	-3.16%	-0.67%	-8.41%
2010	-2.86%	1.71%	5.37%	1.00%	-3.66%	-4.22%	2.87%	-4.17%	7.17%	3.94%	-1.04%	3.12%	8.72%
2009	-0.78%	-1.33%	3.37%	3.59%	1.10%	1.08%	3.54%	0.13%	3.91%	-1.38%	3.74%	2.92%	21.52%
2008	-6.71%	-2.74%	0.54%	3.92%	3.48%	-5.67%	0.38%	-0.71%	-6.41%	-3.42%	-3.82%	1.22%	-18.85%
2007	-0.05%	-2.78%	0.98%	4.02%	1.96%	-1.39%	1.15%	-0.36%	3.12%	3.35%	-4.71%	-0.14%	4.88%
2006	2.81%	-2.41%	1.41%	-1.27%	-7.49%	-0.20%	-2.98%	2.54%	2.60%	3.31%	2.36%	-1.74%	-1.63%
2005	NA	-0.96%	-1.69%	-3.67%	5.50%	-2.64%	6.37%	-1.90%	0.44%	-1.57%	3.37%	-3.36%	-0.71%

More information on the Index can be found at NasdaqFC.ml.com

(3) Source: Bloomberg, BofA Securities The Nasdaq FC Index (BOFANFCC) includes a monthly performance cap rebalanced daily, and was created on 29-Jan-2020. Levels for the Index before 29-Jan-2020 represents hypothetical data determined by retroactive application of a backtested model, itself designed with the benefit of hindsight. **Past performance is not indicative of future performance.** Actual performance will vary, perhaps materially, from the performance set forth herein. The performance of the Index includes a 50bps fee drag and does not include fees or costs of any financial instrument referencing the index.

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Below is a summary of some of the risks relating to the Index or Indices discussed herein. Please request a copy of the applicable rulebook for additional risk disclosure. Before investing in any such instrument or entering in any such transaction, you must satisfy yourself that you fully understand the risks of such instrument or transaction and you are solely responsible for making an independent appraisal of and investigation into such Index or Indices and should not rely on this information or the Index Rulebook as constituting investment, financial or other advice.

NATURE OF THE INDEX

The Index uses a rules-based formula to enable the Index Closing Level to be calculated from time to time. Although instruments may be issued or entered into where such instruments' return is linked to the Index performance, the Index is not itself an investment or instrument and does not give any person any entitlement to, or ownership interest in, any underlying components or any other obligation referenced (directly or indirectly) by the Index.

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PAST PERFORMANCE

Past performance of the Index is not a reliable guide to future performance and the past performance of the Index may have been determined on terms different to those described in this Index Rulebook. No assurance, representation or warranty is given with respect to the future performance of the Index or that it will achieve its objective. Instruments linked to the Index can fluctuate in price or value and prices, values or income may fall against the interests of any investor or counterparty exposed to the performance of the Index. Changes in rates of exchange, rates of interest and prices of any Index Components, among other things, may have an adverse effect on the Index Closing Level.

SIMULATED HISTORICAL PERFORMANCE

All Index Closing Levels between the Index Base Date and the Index Live Date have been determined by the Index Calculation Agent by reference to historical data and must be considered as simulated and thus purely hypothetical. The methodology used to calculate Index Closing Levels prior to the Index Live Date, and the assumptions upon which such Index Closing Levels are based, may be different to those applied from the Index Live Date and in the future. Whilst any such methodology or assumption is, in the view of the Index Sponsor, reasonable, the use of historical data may result in material differences between the simulated performance of the Index, prior to the Index Live Date, and any subsequent actual performance.

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OTHER RISKS

There is no guarantee, warranty or assurance that this Index Rulebook discloses all possible factors that may affect the performance of the Index and the risks of investing in any instrument, or entering into a transaction that is linked to the Index. Before investing in any such instrument or entering in any such transaction, you must satisfy yourself that you fully understand the risks of such instrument or transaction and you are solely responsible for making an independent appraisal of and investigation into the Index and should not rely on this Index Rulebook as constituting investment, financial or other advice.

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