7 Year Income Plus℠ CD
Linked to Large Cap Equities

Overview

The Income Plus℠ CDs provide depositors with a minimum annual interest and the opportunity to receive additional, performance-based annual interest if the price of each and every underlying Reference Security on the applicable annual Interest Valuation Date is greater than or equal to its Initial Share Price. The Issuer will also pay the full Principal Amount if the CDs are held to maturity, subject to its credit risk and FDIC insurance limits. The Income Plus℠ CDs described herein consist of two independent offerings.

Final Terms

Issuer	HSBC Bank USA, National Association
Principal Amount	$1,000 for each CD
Minimum Denomination	$1,000 and increments of $1,000 thereafter
Trade Date	October 25, 2017
Pricing Date	October 25, 2017
Maturity Date	October 30, 2024
Term	7 years
Maturity Redemption Amount	The Principal Amount plus the final Interest Payment Amount
Interest Rate	As per the table above, the Interest Rate applicable for each annual Interest Payment Date for each offering of the CDs will be variable and will be equal to: the applicable Minimum Interest Rate plus the applicable Performance-Based Interest Rate if the Performance Event occurs
Performance Event	A Performance Event occurs if the Valuation Share Price of each and every Reference Security on the applicable annual Interest Valuation Date is greater than or equal to its Initial Share Price
Reference Securities	▪ Altria Group, Inc. ▪ Bristol-Myers Squibb Company ▪ Ford Motor Company ▪ HP Inc. ▪ Verizon Communications Inc.
Estimated Initial Value	$904.00 per CD for CUSIP 40434YQJ9 and $900.00 per CD for CUSIP 40434YQK6
Placement Fee	Up to 4.25% of the Principal Amount (or up to $42.50 per CD)

CD Offerings

Depositors can choose from among the offerings that best suit their investment objectives depending upon their preference for minimum income and an opportunity for potential enhanced income based upon the performance of the Reference Securities.

CD	Minimum and Performance-Based Interest Rate and APY		Potential Maximum Interest Rate	CUSIP[2]
	Minimum[1]	Performance-Based		
A	1.00%	4.75%	5.75%	40434YQJ9
B	0.25%	10.85%	11.10%	40434YQK6

[1]The Minimum Interest Rate is identical to the annual percentage yield ("APY"). However the actual APY on the CDs will not be determinable prior to maturity.
[2] The depositors must purchase each offering of the CDs individually, and by investing in one offering of the CDs, depositors will not obtain any rights in any other offerings of the CDs.

Highlights

- *Potential for Enhanced Annual Income*: Depositors will receive an annual performance-based interest if the Valuation Share Price of each and every Reference Security on the applicable Interest Valuation Date is greater than or equal to its Initial Share Price.
- *Flexible Offerings*: Depositors may choose among the offerings of the CDs with different minimum annual interest and performance-based annual interest, as best fits their preference.
- *FDIC Insurance*: These deposits qualify for FDIC coverage of generally up to $250,000 in aggregate for all deposits per institution for individual depositors and up to $250,000 in aggregate for all deposits per institution held in certain retirement plans and accounts, including IRAs.
- *Large-Cap Companies*: As of October 25, 2017, each of the Reference Securities had a market capitalization greater than $36 billion.

Video Guide

Click on the image to see the Video Guide to Understanding your HSBC Income Plus℠ CD

HSBC

The Reference Securities

Reference Issuer	Ticker Symbol	Industry	Market Capitalization (in billions)[1]	7-year Stock Price Return[2]
Altria Group, Inc.	MO	Agriculture	$122	155%
Bristol-Myers Squibb Company	BMY	Pharmaceuticals	$105	136%
Ford Motor Company	F	Auto Manufacturers	$48	-15%
HP Inc.	HPQ	Computers	$36	11%
Verizon Communications Inc.	VZ	Telecommunications	$198	50%

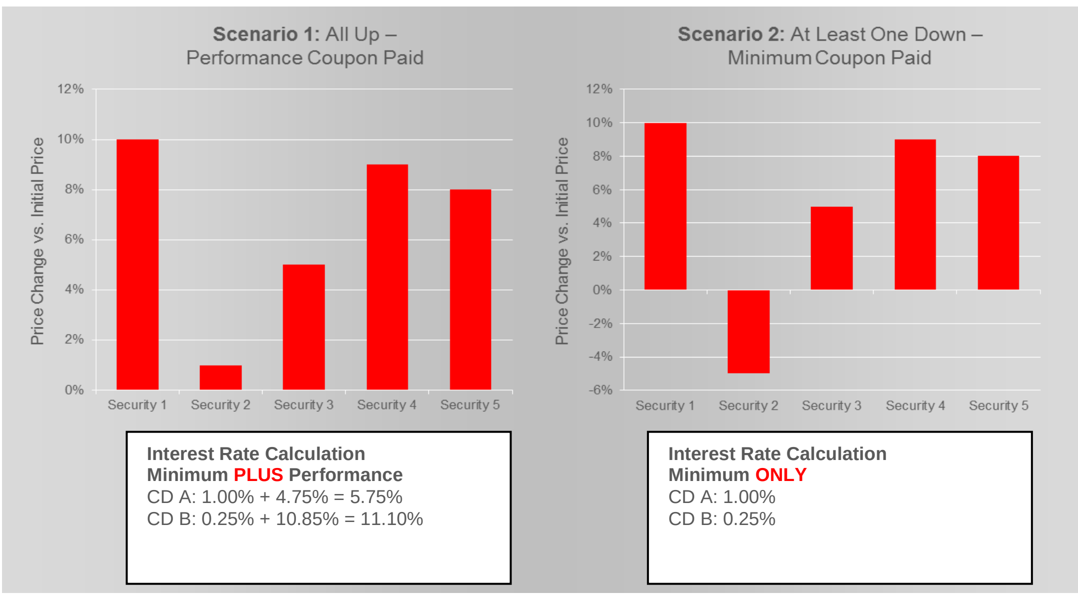
Past performance does not necessarily indicate future performance.
[1] Market capitalization as of October 25, 2017. Source: Bloomberg LP
[2] 7-year stock price return from October 25, 2010 to October 25, 2017, excluding dividends. Source: Bloomberg LP

When Does a Performance Event Occur?

Hypothetical Scenariosfor an annual Interest Payment Date

Scenario 1, a Performance Event occurs: The Valuation Share Price of each Reference Security is greater than or equal to its Initial Share Price and the Performance-Based Interest Rate is realized.

Scenario 2, a Performance Event does not occur: The Valuation Share Price of one or more Reference Securities is less than its Initial Share Price and only the Minimum Interest Rate is realized.



Hypothetical InterestRate Outcomes

	Number of Performance Events Over Investment Term							
	0 over 7 yrs	1 over 7 yrs	2 over 7 yrs	3 over 7 yrs	4 over 7 yrs	5 over 7 yrs	6 over 7 yrs	7 over 7 yrs
Average of Hypothetical Annual Interest Rates of CD A	1.00%	1.68%	2.36%	3.04%	3.71%	4.39%	5.07%	5.75%
Average of Hypothetical Annual Interest Rates of CD B	0.25%	1.80%	3.35%	4.90%	6.45%	8.00%	9.55%	11.10%

Certain Risks and Considerations

Purchasing the CDs involves a number of risks. It is suggested that prospective depositors reach a purchase decision only after careful consideration with their financial, legal, accounting, tax and other advisors regarding the suitability of the CDs in light of their particular circumstances. See "Risk Factors" herein and beginning on page 14 of the Base Disclosure Statement for a discussion of risks.

Important information regarding the CDs is also contained in the Base Disclosure Statement for Certificates of Deposit dated September 6, 2017 (the "Base Disclosure Statement"), which forms a part of, and is incorporated by reference into, these Terms and Conditions. Therefore, these Terms and Conditions should be read in conjunction with the Base Disclosure Statement. A copy of the Base Disclosure Statement is available at http://www.us.hsbc.com/basedisclosure or can be obtained from the Agent offering the CDs.

HSBC Bank USA, National Association

7 Year Income Plus^{SM} CD

Linked to Large Cap Equities Maturing on October 30, 2024

Final Terms and Conditions

Deposit Highlights

GENERAL

- Certificates of deposit (the "CDs") issued by HSBC Bank USA, National Association (the "Issuer" or the "Bank")
- The Issuer will pay at least the full Principal Amount and the minimum annual interests if the CDs are held to maturity, subject to our credit risk and FDIC insurance limits
- The CDs are obligations of the Issuer and not its affiliates or agents, and amounts due under the CDs are subject to our credit risk and FDIC insurance limits
- The CDs are FDIC insured within the limits and to the extent described herein and in the Base Disclosure Statement dated September 6, 2017 under the section entitled "FDIC Insurance"
- As described more fully herein, early withdrawals may be permitted at par in the event of the death or adjudication of incompetence of the beneficial owner of the CDs

SUMMARY OF TERMS

Set forth in these Terms and Conditions is a summary of certain terms and conditions of two separate offerings of the 7 Year Income Plus^{SM} CD maturing October 30, 2024. Each CD offering references the same Reference Securities described herein, but has a different Minimum Interest Rate and Performance-Based Interest Rate as indicated below. Each offering of CDs will have the respective terms described in this summary and is subject to the more detailed terms of the CDs included elsewhere in these Terms and Conditions, and also should be read in conjunction with the Base Disclosure Statement.

CD	Investor Preference[1]		Minimum Interest Rate[2]	Performance Based Interest Rate	Potential Interest Rate (Performance Event does not occur/occurs)	CUSIP
A	Income	Market Participation	1.00%(APY of 1.00%)	4.75%	1.00% or 5.75%	40434YQJ9
B	Income	Market Participation	0.25%(APY of 0.25%)	10.85%	0.25% or 11.10%	40434YQK6

[1]These preferences denote the comparative payoff characteristics of each offering of the CDs compared to other offerings of the CDs offered herein and do not reflect a comparison with any other financial product. Investor Preferences are not drawn to scale.

[2]The Minimum Interest Rate is shown together with the corresponding minimum APY. The actual APY on the CDs is not determinable until maturity, but will not be less than the Minimum Interest Rate.

Issuer: HSBC Bank USA, National Association

Issuer Rating: Senior unsecured deposit obligations of the Issuer are currently rated [Aa2] by Moody's Investors Service, Inc. and [AA-] by Standard & Poor's Financial Services LLC, a part of McGraw-Hill Financial. The credit ratings pertain only to the creditworthiness of the Issuer and are not indicative of the market risk associated with the CDs. The CDs are not individually rated.

CDs: 7 Year Income Plus^{SM} CD maturing October 30, 2024

Book-Entry Form: The CDs will be represented by one or more master CDs held by and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). Beneficial interests in the CDs will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants.

Aggregate Principal Amount: $[ ]

Minimum Denominations: $1,000 in Principal Amount (except that each Agent may, in its discretion, impose a higher minimum deposit amount with respect to the CD sales to its customers) and multiples of $1,000 in Principal Amount thereafter.

Principal Amount: $1,000 for each CD

Trade Date: October 25, 2017

Pricing Date: October 25, 2017

Settlement Date: October 30, 2017

Maturity Date: October 30, 2024, subject to adjustment as described in "Description of the Certificates of Deposit—Adjustments to the Interest Valuation Dates."

Issue Price: 100% of the Principal Amount

Reference Asset: The Reference Securities, as listed in the table below.

Reference Securities: The Reference Securities are the common stocks of the following companies (each, a "Reference Issuer" and together, the "Reference Issuers"):

Reference Issuer	Bloomberg Ticker Symbol	Relevant Exchange	Initial Share Price
Altria Group, Inc.	MO	NYSE	$63.79
Bristol-Myers Squibb Company	BMY	NYSE	$64.00
Ford Motor Company	F	NYSE	$12.04
HP Inc.	HPQ	NYSE	$21.67
Verizon Communications Inc.	VZ	NYSE	$48.64

For summary descriptions of the Reference Securities, please refer to Annex A.

Payment at Maturity: For each CD, the Maturity Redemption Amount.

Maturity Redemption Amount: The Maturity Redemption Amount is the total amount due and payable on each CD on the Maturity Date. On the Maturity Date, the depositor of each CD will receive an amount equal to the Principal Amount plus the final Interest Payment Amount due on the Maturity Date. If the scheduled Maturity Date is not a Business Day, the Maturity Redemption Amount will be paid on the next following Business Day, and no interest will accrue in connection with such postponement.

Interest Payment Amount: The Principal Amount multiplied by the Interest Rate.

Interest Rate: The Interest Rate applicable for each Interest Payment Date for each offering of the CDs will be variable and will be equal to:

(i) the applicable Minimum Interest Rate plus

(ii) the applicable Performance-Based Interest Rate if the Performance Event occurs

Performance Event: A Performance Event occurs if the Valuation Share Price of each and every Reference Security on the applicable Interest Valuation Date is greater than or equal to its Initial Share Price.

Valuation Share Price: With respect to each Reference Security, the Closing Price of that Reference Security on the applicable Interest Valuation Date.

Initial Share Price: With respect to each Reference Security, the Closing Price of that Reference Security on the Pricing Date, as listed under "Reference Securities" above.

Closing Price: With respect to each Reference Security, its official closing price on the Relevant Exchange as of the close of the regular trading session on the Relevant Exchange and as reported in the official price determination mechanism for the Relevant Exchange.

Interest Payment Dates and Interest Valuation Dates:

Interest Valuation Date	Interest Payment Dates
	Annually on October 30, or if that day is not a Business Day, the next following Business Day. Those dates are expected to be:
October 25, 2018	October 30, 2018
October 25, 2019	October 30, 2019
October 27, 2020	October 30, 2020
October 27, 2021	November 1, 2021
October 26, 2022	October 31, 2022
October 25, 2023	October 30, 2023
October 25, 2024	October 30, 2024

On each Interest Payment Date, the Issuer will pay an Interest Payment Amount equal to the Principal Amount multiplied by the applicable Interest Rate. The Interest Valuation Dates and the Interest Payment Dates will be subject to adjustment as described in "Description of the Certificates of Deposit—Adjustments to the Interest Valuation Dates."

If any scheduled Interest Payment Date is not a Business Day, the relevant Interest Payment Amount will be paid on the next following Business Day, and no interest will accrue in connection with such postponement.

The Interest Payment Amount will be paid to the depositor as of the record date.

Record Date: The "record date" for any Interest Payment Date is the date that is one Business Day immediately prior to that Interest Payment Date.

Scheduled Trading Day: Any day on which all of the Relevant Exchanges and Related Exchanges are scheduled to be open for trading for each Reference Security.

Relevant Exchange: The exchange for each Reference Security, as set forth under "—Reference Securities" above.

Related Exchange: Each exchange or quotation system or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to a

Reference Security has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to that Reference Security on such temporary substitute exchange or quotation system as on the original Related Exchange) on which futures or options contracts relating to that Reference Security are traded and where such trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options related to the Reference Security.

Early Redemption by Depositor: Although not obligated to do so, and subject to regulatory constraints, the Issuer or its affiliate is generally willing to repurchase or purchase the CDs from depositors at any time for so long as the CDs are outstanding. A depositor may request early redemption of the CDs in whole, but not in part, by notifying the Agent from whom he or she bought the CDs (who must then notify the Issuer). All early redemption requests (whether written or oral) are irrevocable. In the event that a depositor were able to redeem the CDs prior to the Maturity Date, the depositor would receive the Early Redemption Amount (as defined below) and will not be entitled to any further Interest Payment Amount. Further, the Early Redemption Amount will be adjusted by an Early Redemption Fee. As a result, the Early Redemption Amount may be substantially less than the Principal Amount of the CDs. Redemptions made pursuant to the Successor Option are calculated differently. See “Successor Option” herein.

Early Redemption Amount: The Early Redemption Amount means the full Principal Amount, plus the Early Redemption Fee (which may be positive or negative). As described above, the Early Redemption Amount may be substantially less than the Principal Amount of the CDs. A depositor, through the Agent from whom he or she bought the CDs, may obtain from the Calculation Agent an estimate of the Early Redemption Amount which is provided for informational purposes only. Neither the Issuer nor the Calculation Agent will be bound by the estimate.

Early Redemption Fee: The Current Market Value, minus the Principal Amount of the CDs.

Current Market Value: The bid price of a CD, expressed in USD per CD, as determined by the Calculation Agent based on its financial models and objective market factors.

Successor Option: In the event of the death or adjudication of incompetence of the Initial Depositor (as defined herein) of the CDs, subject to certain conditions and limitations, the CDs may be redeemed pursuant to the exercise of the Successor Option. See “Successor Option” herein. CDs so redeemed will not be entitled to any further Interest Payment Amount.

Redemption for Extraordinary Event: If any early redemption by the Issuer occurs as described in the section entitled “Description of the CDs—Early Redemptions—Redemption for Extraordinary Event” in the Base Disclosure Statement, depositors shall receive the greater of: (a) the then-Current Market Value of the CDs, as determined by the Calculation Agent in good faith, based on its financial models and objective market factors and (b) the Principal Amount of the CDs. See “Description of the CDs—Early Redemptions—Redemption for Extraordinary Event” in the Base Disclosure Statement.

Market Disruption Event: As described in “Description of the CDs—Market Disruption Events—The Equity Share Reference Asset” in the Base Disclosure Statement.

Business Day: Any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in the City of New York.

Payment When Offices or Settlement Systems Are Closed: If any payment is due on the CDs on a day that would otherwise be a Business Day but is a day on which the office of a paying agent or a settlement system is closed, we will make the payment on the next Business Day when that paying agent or system is open. Any such payment will be deemed to have been made on the original due date, and no additional payment will be made on account of the delay.

Calculation Agent:	HSBC Bank USA, National Association All determinations and calculations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will, in the absence of manifest error, be conclusive for all purposes and binding on the depositors of the CDs.
Listing:	The CDs will not be listed on any U.S. securities exchange or quotation system. See “Risk Factors” herein.
FDIC Insurance:	See “FDIC Insurance” herein and in the Base Disclosure Statement for details.
ERISA Plans:	See “Certain ERISA Considerations” in the Base Disclosure Statement for details.
Estimated Initial Value:	The Estimated Initial Value of the CDs is $904.00 per CD for [40434YQJ9] and $900.00 per CD for [40434YQK6]. The Estimated Initial Value does not represent a minimum price at which we or any of our affiliates would be willing to purchase your CDs in the secondary market (if any exists) at any time.
Tax:	See “Certain U.S. Federal Income Tax Considerations” herein for a description of the tax treatment applicable to this instrument.
Governing Law:	New York
Placement Fee:	Up to 4.25% of the Principal Amount (or up to $42.50 per CD)

Purchasing the CDs involves a number of risks. See "Risk Factors" herein and beginning on page 14 of the Base Disclosure Statement.

The CDs offered hereby are deposit obligations of HSBC Bank USA, National Association, a national banking association organized under the laws of the United States, the deposits of which are insured by the Federal Deposit Insurance Corporation (the "FDIC") within the limits and to the extent described in the section entitled "FDIC Insurance" herein and in the Base Disclosure Statement.

Our affiliate, HSBC Securities (USA) Inc., and other unaffiliated distributors of the CDs may use these Terms and Conditions and the accompanying Base Disclosure Statement in connection with offers and sales of the CDs after the date hereof. HSBC Securities (USA) Inc. may act as principal or agent in those transactions. As used herein, references to the "Issuer", "we", "us" and "our" are to HSBC Bank USA, National Association.

HSBC BANK USA, NATIONAL ASSOCIATION

Member FDIC

These Terms and Conditions were not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. federal, state, or local tax penalties. These Terms and Conditions were written and provided by the Issuer in connection with the promotion or marketing by the Issuer and/or distributors of the CDs. Each depositor should seek advice based on its particular circumstances from an independent tax advisor.

Important information regarding the CDs is also contained in the Base Disclosure Statement for Certificates of Deposit, which forms a part of, and is incorporated by reference into, these Terms and Conditions. Therefore, these Terms and Conditions should be read in conjunction with the Base Disclosure Statement. In the event of any inconsistency between the Base Disclosure Statement and these Terms and Conditions, these Terms and Conditions will govern. A copy of the Base Disclosure Statement is available at http://www.us.hsbc.com/basedisclosure or can be obtained from the Agent offering the CDs.

QUESTIONS AND ANSWERS

What are the CDs?

The CDs are certificates of deposit issued by the Issuer. The CDs mature on the Maturity Date. Although not obligated to do so, and subject to regulatory constraints, the Issuer or its affiliate is generally willing to repurchase or purchase the CDs from depositors upon request as described herein and for so long as the CDs are outstanding. Redemptions may also occur optionally upon the death or adjudication of incompetence of a depositor. See the section entitled "Successor Option" below.

Each CD represents an initial deposit by a depositor to the Issuer of $1,000 in Principal Amount (except that each Agent may, in its discretion, impose a higher minimum deposit amount with respect to the CD sales to its customers), and the CDs will be issued in integral multiples of $1,000 in Principal Amount in excess thereof. Depositors will not have the right to receive physical certificates evidencing their ownership of the CDs except under limited circumstances; instead the Issuer will issue the CDs in book-entry form. Persons acquiring beneficial ownership interests in the CDs will hold the CDs through DTC in the United States, if they are participants of DTC, or indirectly through organizations which are participants in DTC.

What amount will depositors receive at maturity in respect of the CDs?

At maturity (and not upon an Early Redemption by Depositor), the amount depositors will receive for each CD held to maturity will be equal to the Maturity Redemption Amount, which will equal A) the Principal Amount of the CD plus B) the final Interest Payment Amount due on the Maturity Date, as described in the "Summary of Terms" above and the "Description of the CDs—Payment at Maturity" section in the Base Disclosure Statement. The APY on the CDs is only determinable at maturity.

The Maturity Redemption Amount and the Interest Payment Amounts will not include dividends paid on the Reference Securities. Apart from the Interest Payment Amounts, no interest will be paid, either for periods prior to the Settlement Date, during the term of the CDs or at or after maturity.

For more information, see "Summary of Terms" above and "Description of the CDs—Payment at Maturity" in the Base Disclosure Statement.

What Interest Payment Amount will be paid on the CDs?

On each Interest Payment Date, the Interest Payment Amount will equal the Principal Amount multiplied by the applicable Interest Rate. The Interest Rate for each offering of the CDs on each Interest Payment Date will be variable and will be equal to (i) the applicable Minimum Interest Rate plus (ii) the applicable Performance-Based Interest Rate if the Performance Event occurs.

What amount will depositors receive if they are able to sell their CDs prior to maturity through an early redemption?

Although not obligated to do so, and subject to regulatory constraints, the Issuer or its affiliate is generally willing to repurchase or purchase the CDs from depositors at any time for so long as the CDs are outstanding. The redemption proceeds paid by the Issuer upon an early redemption will be the Early Redemption Amount. Because of the Early Redemption Fee component of the Early Redemption Amount, there is no guarantee that a depositor who redeems a CD early, other than as a result of the exercise of the Successor Option, which may be subject to a Successor Option Limit Amount (as described herein), will receive his or her full Principal Amount or any return on his or her CD, after deducting these fees. See "Summary of Terms—Early Redemption by Depositor" above.

Are the CDs FDIC insured?

The Principal Amount of the CDs is insured by the FDIC up to the standard maximum deposit insurance amount in effect. In general, deposits held by an individual depositor in the same ownership capacity at the same depository institution are insured by the FDIC up to $250,000. Please see "FDIC Insurance" in the Base Disclosure Statement for more details.

What about liquidity?

Although not obligated to do so, and subject to regulatory constraints, the Issuer or its affiliate is generally willing to repurchase or purchase the CDs from depositors at any time for so long as the CDs are outstanding on terms described above (see "—What amount will depositors receive if they are able to sell their CDs prior to maturity through an early redemption?"). There is currently no established secondary trading market for the CDs. There is no assurance that a secondary market for the CDs will develop, or if it develops, that it will continue. In the event that a depositor could find a buyer of his or her CD, it is likely that the price the depositor would receive would be net of fees, commissions and/or discounts payable in connection with the sale of the CD prior to its maturity in the secondary market. Prospective depositors should carefully consider all of the information set forth in these Terms and Conditions and the Base Disclosure Statement and, in particular, should evaluate the specific risk factors set forth under “Risk Factors.”

What about fees?

HSBC Securities (USA) Inc., an affiliate of the Issuer, will act as an agent in connection with purchases of the CDs by affiliated or unaffiliated third party distributors (the "Agents"). Agents will receive a fee or be allowed a discount as compensation of up to 4.25% of the Principal Amount or up to $42.50 per CD. In certain instances, an additional fee may be paid to Agents in connection with their costs associated with the continuing implementations of systems to support the CDs. See “The Distribution” in the Base Disclosure Statement.

What are the U.S. federal income tax consequences of purchasing the CDs?

The proper U.S. federal income tax treatment of the CDs is uncertain. The Issuer intends to treat the CDs as variable rate debt instruments. Under this treatment, U.S. Holders (as defined below) will recognize interest paid on a CD as ordinary interest income at the time the U.S. Holder accrues or receives the Interest Payment Amount in accordance with the U.S. Holder’s normal method of accounting for tax purposes. Pursuant to the terms of the CDs, you agree to treat the CDs consistent with our treatment for all U.S. federal income tax purposes.

Prospective depositors should see “Certain U.S. Federal Income Tax Considerations” below and consult their tax advisors regarding the tax consequences to them of a purchase of the CDs.

What about ERISA eligibility?

The CDs are not eligible for purchase by, on behalf of or with the assets of, Plans (as defined in “Certain ERISA Considerations” in the Base Disclosure Statement) unless the purchase and holding of the CDs does not and will not constitute a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Code or Similar Law. In view of the fact that the CDs represent deposits with the Issuer, fiduciaries should take into account the prohibited transaction exemption described in ERISA Section 408(b)(4), relating to the investment of plan assets in deposits bearing a reasonable rate of interest in a financial institution supervised by the United States or a state, and/or Part IV of PTCE 81-8, relating to transactions involving short-term investments, specifically certificates of deposit. (See “Certain ERISA Considerations” in the Base Disclosure Statement.) Each initial purchaser of a CD and each transferee thereof shall be deemed to represent and covenant that, throughout the period that it holds CDs, either A) it is not, and is not acquiring CDs with the assets of, a Plan, or B) that its purchase, holding and disposition of the CDs will not constitute a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Code, or Similar Law.

INVESTOR SUITABILITY

The CDs may be suitable for you if:

- You seek an investment that provides an annual interest payment based on the performance of the Reference Securities that will not be less than the relevant Minimum Interest Rate or greater than the sum of the relevant Minimum Interest Rate and the relevant Performance-Based Interest Rate.
- You believe that the prices of the Reference Securities will generally increase over the term of the CDs and that the Interest Rates applicable for the Interest Payment Dates will be an amount sufficient to provide you with a satisfactory return on your investment.
- You are willing to receive an annual interest payment at the relevant Minimum Interest Rate on most or all of the Interest Payment Dates.
- You are willing to accept the risk and return profile of the CDs versus conventional certificates of deposit with a comparable maturity issued by the Bank or another issuer with a similar credit rating.
- You are willing to forgo dividends or other distributions paid to holders of the Reference Securities.
- You do not seek an investment for which there is an active secondary market.
- You are willing to hold the CDs to maturity.
- You are comfortable with the creditworthiness of the Bank, as Issuer of the CDs.

The CDs may not be suitable for you if:

- You seek an investment where the annual interest payment is fixed at a rate greater than the relevant Minimum Interest Rate or is not limited to the sum of the relevant Minimum Interest Rate and the relevant Performance-Based Interest Rate.
- You believe that the prices of the Reference Securities will generally decrease over the term of the CDs and that the Interest Rates applicable for the Interest Payment Dates will not be an amount sufficient to provide you with a satisfactory return on your investment.
- You are unwilling to receive an annual interest payment at the relevant Minimum Interest Rate on most or all of the Interest Payment Dates.
- You prefer the lower risk, and therefore accept the potentially lower returns, of conventional certificates of deposit with comparable maturities issued by the Bank or another issuer with a similar credit rating.
- You prefer to receive dividends or other distributions paid to holders of the Reference Securities.
- You seek an investment for which there will be an active secondary market.
- You are unable or unwilling to hold the CDs to maturity.
- You are not willing or are unable to assume the credit risk associated with the Bank, as Issuer of the CDs.

RISK FACTORS

Purchasing the CDs is not equivalent to investing directly in the Reference Securities. It is suggested that prospective depositors considering purchasing CDs reach a decision to purchase only after carefully considering, with their financial, legal, tax, accounting and other advisors, the suitability of the CDs in light of their particular circumstances and the risk factors set forth below and other information set forth in these Terms and Conditions and the accompanying Base Disclosure Statement.

As you review the "Risk Factors" section in the accompanying Base Disclosure Statement, you should pay particular attention to the following sections:

- "— Risks Relating to All CD Issuances";
- "— Additional Risks Relating to CDs with a Reference Asset that is an Equity Share or Equity Index";
- "— Additional Risks Relating to CDs with a Maximum Limitation, Maximum Rate, Ceiling or Cap"; and
- "— Additional Risks Relating to Certain CDs with More Than One Instrument Comprising the Reference Asset."

You will be subject to certain risks not associated with conventional fixed-rate or floating-rate CDs or debt securities. Furthermore, amounts due under the CDs are subject to the Issuer's credit risk and FDIC insurance limits. The CDs are not suitable for purchase by all investors. No investor should purchase the CDs unless he or she understands and is able to bear the associated market, liquidity and yield risks.

The CDs are not ordinary certificates of deposit and the applicable Interest Rate is uncertain and could be as low as the applicable Minimum Interest Rate.

The Interest Rate for each Interest Payment Date for each offering of the CDs will be variable and will depend on the Valuation Share Price of each and every Reference Security on the applicable Interest Valuation Date. If the Valuation Share Price of any Reference Security on any Interest Valuation Date is less than its Initial Share Price, the applicable Interest Rate will be equal to the applicable Minimum Interest Rate. Price movements in the Reference Securities may not correlate with each other. At a time when the price of one or more of the Reference Securities increases, the price of one or more of the other Reference Securities may not increase, or may even decrease. We cannot predict the future performance of any Reference Security based on its historical performance. In addition, there can be no assurance that the Valuation Share Price of each and every Reference Security will be greater than or equal to its Initial Share Price on each Interest Valuation Date, such that you will receive interest at an Interest Rate that is greater than the applicable Minimum Interest Rate on the corresponding Interest Payment Date. Therefore, the applicable Interest Rate for one or more interest periods or even the whole term of the CDs may be as low as the applicable Minimum Interest Rate, and you will not be compensated for any loss in value due to inflation and other factors relating to the value of money over time. The return on your CDs may be less than returns otherwise payable on ordinary certificates of deposit issued by us with similar maturities. You should consider, among other things, the overall potential return on the CDs as compared to other investment alternatives.

An investment in the CDs may underperform an investment in the Reference Securities.

If the Valuation Share Price of each and every Reference Security on the relevant Interest Valuation Date is greater than or equal to its Initial Share Price, you will not participate in any increase in the price of any Reference Security. Instead, your annual return on the CDs will be limited to the Performance-Based Interest Rate plus the Minimum Interest Rate. Accordingly, it is possible for the Interest Rate on your CDs for any given Interest Payment Date to be substantially less than the return of the Reference Securities as measured from the Pricing Date to the applicable Interest Valuation Date.

The interest payable on the CDs is not linked to the prices of the Reference Securities at any time other than on the Interest Valuation Dates.

The return on the CDs will be based on the Valuation Share Prices of the Reference Securities on the applicable Interest Valuation Dates, subject to postponement for non-trading days and certain Market Disruption Events. Even if the price of any Reference Security increases prior to the applicable Interest Valuation Date but then decreases on that day to a price that is at or below its Initial Share Price, the relevant Interest Rate will be limited to the Minimum Interest Rate, and will be less than it would have been had the CDs been linked to the prices of the Reference Securities prior to that decrease. Although the actual prices of the Reference Securities on the Maturity Date or at other times during the term of the CDs may be higher than the Valuation Share Prices of the Reference Securities on any Interest Valuation Date, the return on the CDs will be based solely on the Valuation Share Prices of the Reference Securities on the applicable Interest Valuation Dates.

The CDs are subject to our credit risk.

The CDs are our deposit obligations and are not, either directly or indirectly, an obligation of any third party. Any Principal Amount of a CD, together with any other deposits held in the same right and capacity with us as the Issuer, that exceeds the applicable FDIC insurance limits, as well as any amounts payable under the CDs that are not insured by FDIC insurance, are subject to our credit risk, as Issuer of the CDs. As a result, the actual and perceived creditworthiness of us may affect the market value of the CDs and, in the event we were to default on our obligations, you may not receive any of the amounts owed to you under the terms of the CDs in excess of the amounts covered by the applicable FDIC insurance.

The Estimated Initial Value for each offering of the CDs, which was determined by us on the Pricing Date, is less than the Issue Price and may differ from the market value of the CDs in the secondary market, if any.

The Estimated Initial Value for each offering of the CDs was calculated by us on the Pricing Date and is less than the Issue Price. The Estimated Initial Value reflects a fixed-income component with the same maturity as the CDs, valued using an internal funding rate and the value of the embedded derivatives. The value of the embedded derivatives was determined by reference to our or our affiliates' internal pricing models. These pricing models consider certain assumptions and variables, which can include volatility and interest rates. Different pricing models and assumptions could provide valuations for the CDs that are different from our Estimated Initial Value. These pricing models rely in part on certain forecasts about future events, which may prove to be incorrect. The internal funding rate is based on, among other things, our view of the funding value of the CDs as well as the issuance, operational and ongoing costs of the CDs. Our use of an internal funding rate may have an adverse effect on the terms of the CDs and any secondary market prices of the CDs.

The price of your CDs in the secondary market, if any, immediately after the Pricing Date will be less than the Issue Price.

The Issue Price includes certain embedded costs. These costs, which will be used or retained by us or one of our affiliates, include distribution fees, our affiliates' projected hedging profits (which may or may not be realized) for assuming risks inherent in hedging our obligations under the CDs and the costs associated with structuring and hedging our obligations under the CDs. If you were to sell your CDs in the secondary market, if any, immediately after the Settlement Date, the price you would receive for your CDs would be less than the price you paid for them because secondary market prices will not take into account these costs. The price of your CDs in the secondary market, if any, at any time after issuance will vary based on many factors, including the prices of the Reference Securities and changes in market conditions, and cannot be predicted with accuracy. The CDs are not designed to be short-term trading instruments, and you should, therefore, be able and willing to hold the CDs to maturity. Any sale of the CDs prior to maturity could result in a loss to you.

If we were to repurchase your CDs immediately after the Settlement Date, the price you receive may be higher than the Estimated Initial Value of the CDs.

Assuming that all relevant factors remain constant after the Settlement Date, the price at which we may initially buy or sell the CDs in the secondary market, if any, and the value that we may initially use for customer account statements, if we provide any customer account statements at all, may exceed the Estimated Initial Value on the Pricing Date for a temporary period expected to be approximately sixteen months after the Settlement Date. This temporary price difference may exist because, in our discretion, we may elect to effectively reimburse to depositors a portion of the estimated cost of hedging our obligations under the CDs and other costs in connection with the CDs that we will no longer expect to incur over the term of the CDs. We will make such discretionary election and determine this temporary reimbursement period on the basis of a number of factors, including the tenor of the CDs and any agreement we may have with the distributors of the CDs. The amount of our estimated costs which we effectively reimburse to depositors in this way may not be allocated ratably throughout the reimbursement period, and we may discontinue such reimbursement at any time or revise the duration of the reimbursement period after the Settlement Date of the CDs based on changes in market conditions and other factors that cannot be predicted.

Depositors will be subject to an Early Redemption Fee if they choose to redeem the CDs early, and therefore they may not receive proceeds equal to the full Principal Amount of their CDs upon an early redemption.

The CDs are designed so that if, and only if, they are held to maturity, the depositor will receive at least the Principal Amount . Unless the redemption is the result of the exercise of the Successor Option and the Principal Amount of such redemption does not exceed the Successor Option Limit Amount (as described further herein), if a depositor chooses to redeem the CDs early, and is able to do so, the depositor will not be entitled to any further Interest Payment Amount. In addition, the proceeds received by such a depositor, though based on the full Principal Amount, will be adjusted by an Early Redemption Fee. See "Summary of Terms—Early Redemption

Amount." As a result, the proceeds payable upon an early redemption may be less (and may be substantially less) than the Principal Amount of the CDs.

There is no current secondary market for the CDs.

The CDs will not be listed on any securities exchange or quotation system, and as a result, it is unlikely that a secondary market for the CDs will develop. Even if there is a secondary market, it may not provide enough liquidity to allow you to sell the CDs easily, and you may only be able to sell your CDs, if at all, at a price less than the Principal Amount of your CDs. These CDs are designed to be held to maturity.

Potential conflicts of interest may exist.

We and our affiliates play a variety of roles in connection with the issuance of the CDs, including acting as Calculation Agent and hedging our obligations under the CDs. In performing these duties, the economic interests of the Calculation Agent and other affiliates of ours are potentially adverse to your interests as a depositor in the CDs. We will not have any obligation to consider your interests as a depositor in taking any action that might affect the value of your CDs.

Variable rate debt instrument consequences of the CDs; U.S. federal income tax consequences.

The proper U.S. federal income tax treatment of the CDs is uncertain. The Issuer intends to treat the CDs as variable rate debt instruments. Under this treatment, U.S. Holders (as defined below) will recognize interest paid on a CD as ordinary interest income at the time the U.S. Holder accrues or receives the Interest Payment Amount in accordance with the U.S. Holder's normal method of accounting for tax purposes. Pursuant to the terms of the CDs, you agree to treat the CDs consistent with our treatment for all U.S. federal income tax purposes. However, if the CDs are not in fact treated as variable rate debt instruments for U.S. federal income tax purposes, then the U.S. federal income tax consequences of owning and disposing of the CDs and the timing and character of income and gain or loss recognized in respect of a CD could differ from the treatment described above and described below under "Certain U.S. Federal Income Tax Considerations."

Prospective depositors should see "Certain U.S. Federal Income Tax Considerations" below and consult their tax advisors regarding the tax consequences to them of a purchase of the CDs.

DESCRIPTION OF THE CERTIFICATES OF DEPOSIT

The following information is a summary of the CD itself and the Reference Securities to which the CD is linked. Prospective depositors should also carefully review the "Description of the CDs" section in the Base Disclosure Statement. All disclosures contained in these Terms and Conditions regarding the Reference Securities are derived from publicly available information prepared by the Reference Issuers.

Information with Respect to the Reference Securities

Each potential depositor of a CD should review the reports and other information which have been filed with the Securities and Exchange Commission (the "Commission"), posted on websites or otherwise made publicly available by the Reference Issuers with respect to the Reference Securities. Depositors of the CDs are hereby informed that the reports and other information on file with the Commission or that is otherwise publicly available to which depositors are referred are not and will not be "incorporated by reference" herein. Neither the Issuer of the CDs nor any of its affiliates will undertake to review the financial condition or affairs of the Reference Issuers during the life of the CDs or to advise any depositor or potential depositor in the CDs of any information coming to the attention of the Issuer of the CDs or any affiliate thereof. Additional information with respect to the Reference Securities is set forth in Annex A.

Adjustments to the Interest Valuation Dates

If a scheduled Interest Valuation Date with respect to any Reference Security is not a Scheduled Trading Day, then the applicable Interest Valuation Date for that Reference Security will be the next day that is a Scheduled Trading Day. If a Market Disruption Event with respect to any Reference Security exists on a scheduled Interest Valuation Date, then the applicable Interest Valuation Date for that Reference Security will be the next Scheduled Trading Day on which a Market Disruption Event does not exist with respect to that Reference Security. If a Market Disruption Event with respect to a Reference Security exists on five consecutive Scheduled Trading Days, then that fifth Scheduled Trading Day will be the Interest Valuation Date with respect to that Reference Security, and the Calculation Agent will determine its Valuation Share Price on that date in good faith and in its sole discretion. For the avoidance of doubt, if no Market Disruption Event exists with respect to a Reference Security on the originally scheduled Interest Valuation Date, the determination of that Reference Security's value will be made on that day, irrespective of the existence of a Market Disruption Event with respect to one or more of the other Reference Securities on that day. If an Interest Valuation Date with respect to any Reference Security is postponed, then the related Interest Payment Date and, if the Interest Payment Date coincides with the Maturity Date, the Maturity Date will also be postponed until the third Business Day following the postponed Interest Valuation Date, and no interest will be payable in respect of such postponement.

Maturity Redemption Amount and Interest Payment Amount

At maturity (and not upon an Early Redemption by Depositor), the amount depositors will receive for each CD held to maturity will be equal to the Maturity Redemption Amount, which will equal A) the Principal Amount of the CD plus B) the final Interest Payment Amount due on the Maturity Date, as described in the "Summary of Terms" above. On each Interest Payment Date, the depositors will receive an Interest Payment Amount. The applicable Interest Rate for each Interest Payment Date will be variable and will be equal to (i) the applicable Minimum Interest Rate plus (ii) the applicable Performance-Based Interest Rate if the Performance Event occurs.

Potential Adjustment Events

If a Potential Adjustment Event, such as a Merger Event, Tender Offer, Delisting, Nationalization, Insolvency, or Share Value Modification Event (each as described in the Base Disclosure Statement) occurs with respect to a Reference Security or Reference Issuer, the Calculation Agent may, in its reasonable discretion, adjust the terms of the CDs, and in certain instances may accelerate the stated Maturity Date of the CDs. Please refer to the section entitled "Description of the CDs—Potential Adjustment Events" in the Base Disclosure Statement for more details.

In the event of an adjustment to the terms of the CDs due to a Potential Adjustment Event, such adjustment may adversely affect the value of the CDs, any applicable periodic payments or the payment that you will receive at maturity or upon any acceleration of the CDs.

Successor Option

Notwithstanding anything to the contrary in the Base Disclosure Statement, in the event of the death or adjudication of incompetence of any depositor of a CD, the redemption of the Principal Amount of the CDs of that depositor will be permitted, without any Early Redemption Fee, subject to the limits and restrictions described herein (such right to redeem the deposit shall be referred to as the "Successor Option"). In such circumstances, a written notice of the proposed redemption must be given to the depositor's Agent and the Issuer, together with appropriate documentation to support the request, each within 180 days of the death or adjudication of incompetence of the depositor. Such depositor (i) must have owned the CDs being submitted for early redemption at the time of his or her death or adjudication of incompetence and (ii) must have been the initial depositor of the CDs (excluding any Agents) (such depositor, the “Initial Depositor”). If the foregoing conditions are not met, redemptions of any Principal Amount of CDs prior to maturity will be subject to the terms of the section in these Terms and Conditions entitled “Summary of Terms—Early Redemption by Depositor” and the terms of the section in the Base Disclosure Statement entitled "Description of the CDs—Early Redemptions—Depositor Redemption." CDs that are redeemed early will not be entitled to any future Interest Payment Amount.

These CDs are Limited Successor Option CDs (as defined below). As such, the redemption of the aggregate Principal Amount under the Successor Option provision across all Limited Successor Option CDs held by an Initial Depositor may not exceed the Successor Option Limit Amount (as defined below). Any redemption request in excess of this amount shall be subject to the terms of the section in these Terms and Conditions entitled “Summary of Terms—Early Redemption by Depositor” and the terms of the section in the Base Disclosure Statement entitled “Description of the CDs—Early Redemptions—Depositor Redemption.” In addition, if redemption is requested from more than one issuance or by more than one beneficiary of Limited Successor Option CDs, the Successor Option Limit Amount will be applied to the aggregate of all such multiple redemption requests, and shall be applied to such redemption requests in the order received by the Issuer.

“Limited Successor Option CDs” are any certificates of deposit designated as such in the applicable Terms and Conditions. The “Successor Option Limit Amount” is $1,000,000. In the event the Initial Depositor has purchased Limited Successor Option CDs with different Successor Option Limit Amounts, the Successor Option Limit Amount applicable to the aggregate amount of such CDs being simultaneously redeemed will be the highest Successor Option Limit Amount applicable to any of such Limited Successor Option CDs.

Please refer to the section herein entitled “Summary of Terms—Successor Option” and the section entitled “Description of the CDs—Early Redemptions—Redemption upon the Death or Adjudication of Incompetence of a Depositor” in the Base Disclosure Statement.

Early Redemption by Depositor

Although not obligated to do so, and subject to regulatory constraints, the Issuer or its affiliate is generally willing to repurchase or purchase the CDs from depositors upon request as described herein and for so long as the CDs are outstanding. Please refer to the section herein entitled “Summary of Terms—Early Redemption by Depositor” and the “Description of the CDs—Early Redemptions” section of the Base Disclosure Statement.

Ratings

The CDs will not be rated by any rating agency.

The Calculation Agent

The Issuer is the Calculation Agent with regard to the CDs and is solely responsible for the determination and calculation of the Maturity Redemption Amount (including the components thereof), the Interest Payment Amounts payable on corresponding Interest Payment Dates, and any other determinations and calculations with respect to the CDs, as well as for determining whether a Market Disruption Event has occurred and for making certain other determinations with regard to a Reference Security. All determinations and calculations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and will be conclusive for all purposes and binding on the Issuer and depositors of the CDs, absent manifest error and provided that the Calculation Agent shall be required to act in good faith in making any determination or calculation. If the Calculation Agent uses discretion to make a determination or calculation, the Calculation Agent will notify the Issuer, who will provide notice to DTC in respect of the CDs.

The Calculation Agent may have economic interests adverse to those of the depositors of the CDs, including with respect to certain determinations and judgments that the Calculation Agent must make in determining the Initial Share Prices, the Valuation Share Prices, the Maturity Redemption Amount and the Interest Payment Amount payable on corresponding Interest Payment Dates, in determining whether a Market Disruption Event has occurred, and in making certain other determinations with regard to any Reference Security. The Calculation Agent will not be liable for any loss, liability, cost, claim, action, demand or expense (including, without limitation, all costs, charges and expenses paid or incurred in disputing or defending any of the foregoing) arising out of or in relation to or in connection with its appointment or the exercise of its functions, except such as may result from its own willful default or gross negligence or that of its officers or agents. Nothing shall prevent the Calculation Agent or its affiliates from dealing in the CDs or from entering into any related transactions, including any swap or hedging transactions, with any depositor of CDs. The Calculation Agent may resign at any time; however, resignation will not take effect until a successor Calculation Agent has been appointed.

ILLUSTRATIVE EXAMPLES

The following tables are provided for illustration purposes only and are hypothetical. They do not purport to be representative of every possible scenario concerning increases or decreases in the prices of the Reference Securities. We cannot predict the Valuation Share Price of any Reference Security on any Interest Valuation Date. The assumptions we have made in connection with the illustrations set forth below may not reflect actual events, and the hypothetical Initial Share Prices of the Reference Securities used in the illustrations below are not the actual Initial Share Prices of the Reference Securities. You should not take these examples as an indication or assurance of the expected performance of the Reference Securities or the CDs. The numbers appearing in the tables below have been rounded for ease of analysis.

The following tables indicate how changes in the performance of the Reference Securities in a given year will affect the Interest Payment Amount for any Interest Payment Date.

- On the Pricing Date, the Initial Share Prices of the Reference Securities are determined.
- At the end of each year, the performance of each and every Reference Security is measured against its Initial Share Price. The applicable Interest Rate will equal the applicable Minimum Interest Rate if the Valuation Share Price of any Reference Security is less than its Initial Share Price on the relevant Interest Valuation Date.

Assumptions:

Minimum Annual Interest Rate

CD A: 1.00% CD B: 0.25%

Valuation Share Price of Each Reference Security on the Related Interest Valuation Date (in $)

Reference Securities	Initial Share Price (in $)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Security 1	50.00	52.00	53.00	58.00	56.00	45.00	48.00	45.00
Security 2	60.00	65.00	62.00	55.00	62.00	54.00	52.00	54.00
Security 3	70.00	80.00	76.00	76.00	79.00	66.00	72.00	73.00
Security 4	80.00	87.00	92.00	92.00	88.00	77.00	69.00	73.00
Security 5	90.00	100.00	86.00	72.00	93.00	97.00	101.00	101.00

Is the Valuation Share Price of that Reference Security Greater Than or Equal to Its Initial Share Price?

Reference Securities	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Security 1	Yes	Yes	Yes	Yes	No	No	No
Security 2	Yes	Yes	No	Yes	No	No	No
Security 3	Yes	Yes	Yes	Yes	No	Yes	Yes
Security 4	Yes	Yes	Yes	Yes	No	No	No
Security 5	Yes	No	No	Yes	Yes	Yes	Yes
Has a Performance Event Occurred?	**Yes**	**No**	**No**	**Yes**	**No**	**No**	**No**
Interest Rate for CD A	**5.75%**	**1.00%**	**1.00%**	**5.75%**	**1.00%**	**1.00%**	**1.00%**
Interest Rate for CD B	**11.10%**	**0.25%**	**0.25%**	**11.10%**	**0.25%**	**0.25%**	**0.25%**

THE DISTRIBUTION

Please refer to the section entitled "The Distribution" in the Base Disclosure Statement.

FDIC INSURANCE

The following disclosures are intended to supplement and, where conflicting, supersede the disclosures regarding deposit insurance herein and in the accompanying Base Disclosure Statement, including the section entitled "FDIC Insurance" included therein.

The CDs are protected by federal deposit insurance provided by the Deposit Insurance Fund (the "DIF"), which is administered by the FDIC and backed by the full faith and credit of the U.S. Government, up to a maximum amount for all deposits held in the same ownership capacity per depository institution (the "Maximum Insured Amount"), which currently is $250,000. The maximum amount of deposit insurance available in the case of deposits in certain retirement accounts (the "Maximum Retirement Account Amount") also is $250,000 per participant per insured depository institution. The Maximum Insured Amount and the Maximum Retirement Account Amount may be adjusted for inflation beginning April 1, 2010 and each fifth year thereafter. Accordingly, holders of CDs whose Principal Amount plus accrued Interest Payment Amount exceed the applicable federal deposit insurance limit will not be insured by the FDIC for the Principal Amount plus accrued Interest Payment Amount exceeding such limits. Any accounts or deposits a holder maintains directly with the Issuer in the same ownership capacity as such holder maintains its CDs would be aggregated with such CDs for purposes of the Maximum Insured Amount or the Maximum Retirement Account Amount, as applicable.

You should not rely on the availability of FDIC insurance to the extent the Principal Amount of CDs and any unpaid return in excess of the Principal Amount which, together with any other deposits that you maintain with us in the same ownership capacity, is in excess of the applicable FDIC insurance limits. The FDIC has taken the position that any secondary market premium paid by you in excess of the Principal Amount is not covered by FDIC insurance. In addition, the FDIC may also take the position that no portion of the return in excess of the Principal Amount for any interest period is insured unless the total applicable return in excess of the Principal Amount for that interest period has been determined at the point that FDIC insurance payments become necessary.

You are responsible for determining and monitoring the FDIC insurance coverage limits that are applicable to you in purchasing any CDs. We do not undertake to determine or monitor the FDIC insurance coverage that may be available to you. You should make your own investment decision regarding the CDs and FDIC insurance coverage after consulting with your legal, tax, and other advisors. Please consult with your attorney or tax advisor to fully understand all of the legal consequences associated with any account ownership change you may be considering to maximize your deposit insurance coverage. Please also refer to www.fdic.gov for a full explanation and examples of deposit coverage for the account ownership types below, particularly for revocable trusts, and for other forms of ownership as the following information is a general summary and is not a complete statement of the FDIC insurance coverage limits.

The application of the federal deposit insurance limitation per depository institution in certain common factual situations is illustrated below. Please also refer to www.fdic.gov for a full explanation and examples of deposit coverage for the account ownership types below as the following information is a general summary and is not a complete statement of the FDIC insurance coverage limits.

- *Individual Customer Accounts.* Funds owned by an individual and held in an account in the name of an agent or nominee of such individual (such as the CDs held in a brokerage account) are not treated as owned by the agent or nominee, but are added to other deposits of such individual held in the same legal capacity and are insured up to the Maximum Insured Amount in the aggregate.
- *Custodial Accounts.* Funds in accounts held by a custodian, guardian or conservator (for example, under the Uniform Gifts to Minors Act) are not treated as owned by the custodian, but are added to other deposits of the minor or other beneficiary held in the same legal capacity and are insured up to the Maximum Insured Amount in the aggregate.
- *Joint Accounts.* The interest of each co-owner in funds in an account held under any form of joint ownership valid under applicable state law may be insured up to the Maximum Insured Amount in the aggregate with other jointly held funds of such co-owner, separately and in addition to the Maximum Insured Amount allowed on other deposits individually owned by any of the co-owners of such account (hereinafter referred to as a "Joint Account"). Joint Accounts will be insured separately from such individually owned accounts only if each of the co-owners is an individual person, has a right of withdrawal on the same basis as the other co-owners and has signed the deposit account signature card (unless the account is a CD or is established by an agent, nominee, guardian, custodian, executor or conservator). If the Joint Account meets the foregoing criteria then it will be deemed to be jointly owned; as long as the account records of the Bank are clear and unambiguous as to the ownership of the account. However, if the account records are ambiguous or unclear as to the manner in which the account is

owned, then the FDIC may consider evidence other than such account records to determine ownership. The names of two or more persons on a deposit account will be conclusive evidence that the account is a Joint Account unless the deposit records as a whole are ambiguous and some other evidence indicates that there is a contrary ownership capacity. In the event an individual has an interest in more than one Joint Account and different co-owners are involved, his or her interest in all of such Joint Accounts (subject to the limitation that such individual's insurable interest in any one account may not exceed the Maximum Insured Amount divided by the number of owners of such account) is then added together and insured up to the Maximum Insured Amount in the aggregate, with the result that no individual's insured interest in the joint account category can exceed the Maximum Insured Amount. For deposit insurance purposes, the co-owners of any Joint Account are deemed to have equal interests in the Joint Account unless otherwise stated in the Bank's records.

- *Entity Accounts.* The deposit accounts of any corporation, partnership or unincorporated association that is operated primarily for some purpose other than to increase deposit insurance are added together and insured up to the Maximum Insured Amount in the aggregate per depository institution.
- Retirement and Employee Benefit Plans and Accounts.
  - *Generally.* You may have interests in various retirement and employee benefit plans and accounts that are holding deposits of the Bank. The amount of deposit insurance you will be entitled to will vary depending on the type of plan or account and on whether deposits held by the plan or account will be treated separately or aggregated with the deposits of the Issuer held by other plans or accounts. It is therefore important to understand the type of plan or account holding the CD. The following sections entitled "Pass-Through Deposit Insurance for Retirement and Employee Benefit Plan Deposits" and "Aggregation of Retirement and Employee Benefit Plans and Accounts" generally discuss the rules that apply to deposits of retirement and employee benefit plans and accounts.
  - *Pass-Through Deposit Insurance for Retirement and Employee Benefit Plan Deposits.* Subject to the limitations discussed below, under FDIC regulations, an individual's non-contingent interest in the deposits of one depository institution held by certain types of employee benefit plans are eligible for insurance on a "pass-through" basis up to the applicable deposit insurance limits for that type of plan. This means that, instead of an employee benefit plan's deposits at one depository institution being entitled to deposit insurance based on its aggregated deposits in the Bank, each participant in the employee benefit plan is entitled to insurance of his or her interest in the employee benefit plan's deposits of up to the applicable deposit insurance limits per institution (subject to the aggregation of the participant's interests in different plans, as discussed below). The pass-through insurance provided to an individual as an employee benefit plan participant is in addition to the deposit insurance allowed on other deposits held by the individual at the issuing institution. However, pass-through insurance is aggregated across certain types of accounts. See the section entitled "Aggregation of Retirement and Employee Benefit Plans and Accounts."
    - A deposit held by an employee benefit plan that is eligible for pass-through insurance is not insured for an amount equal to the number of plan participants multiplied by the applicable deposit insurance limits. For example, assume an employee benefit plan that is a Qualified Retirement Account (defined below), i.e., a plan that is eligible for deposit insurance coverage up to the Maximum Retirement Account Amount per qualified beneficiary, owns $500,000 in deposits at one institution and the plan has two participants, one with a vested non-contingent interest of $350,000 and one with a vested non-contingent interest of $150,000. In this case, the individual with the $350,000 interest would be insured up to the $250,000 Maximum Retirement Account Amount limit, and the individual with the $150,000 interest would be insured up to the full value of such interest.
    - Moreover, the contingent interests of employees in an employee benefit plan and overfunded amounts attributed to any employee defined benefit plan are not insured on a pass-through basis. Any interests of an employee in an employee benefit plan deposit which are not capable of evaluation in accordance with FDIC rules (i.e., contingent interests) will be aggregated with the contingent interests of other participants and insured up to the applicable deposit insurance limits. Similarly, overfunded amounts are insured, in the aggregate for all participants, up to the applicable deposit insurance limits separately from the insurance provided for any other funds owned by or attributable to the employer or an employee benefit plan participant.

Aggregation of Retirement and Employee Benefit Plans and Accounts.

- *Self-Directed Retirement Accounts.* The Principal Amount of deposits held in Qualified Retirement Accounts, plus accrued but unpaid interest, if any, are protected by FDIC insurance up to a maximum of the Maximum Retirement Account Amount for all such deposits held by you at the issuing depository institution. "Qualified Retirement Accounts" consist of (i) any individual retirement account ("IRA"), (ii) any eligible deferred compensation plan described in section 457 of the Code, (iii) any individual account plan described in section 3(34) of ERISA, to the extent the participants and beneficiaries under such plans have the right to direct the investment of assets held in the accounts and (iv) any plan described in section 401(d) of the Code, to the extent the participants and beneficiaries under such plans have the right to direct the investment of assets held in the accounts. The FDIC sometimes generically refers to this group of accounts as "self-directed retirement accounts." Supplementary FDIC materials indicate that Roth IRAs, self-directed Keogh Accounts, Simplified Employee Pension plans, Savings Incentive Match Plans for Employees and self-directed defined contribution plans (such as 401(k) plans) are intended to be included within this group of Qualified Retirement Accounts. Coverdell education savings accounts, Health Savings Accounts, Medical Savings Accounts, accounts established under section 403(b) of the Code and defined-benefit plans are NOT Qualified Retirement Accounts and do NOT receive the Maximum Retirement Account Amount of federal deposit insurance.

- *Other Employee Benefit Plans.* Any employee benefit plan, as defined in Section 3(3) of ERISA, plan described in Section 401(d) of the Code, or eligible deferred compensation plan under section 457 of the Code, that does not constitute a Qualified Retirement Account – for example, certain employer-sponsored profit sharing plans -- can still satisfy the requirements for pass-through insurance with respect to non-contingent interests of individual plan participants, provided that FDIC requirements for recordkeeping and account titling are met ("Non-Qualifying Benefit Plans"). Defined contribution plan accounts and Keogh accounts that are not "self-directed" also generally would be treated as Non-Qualifying Benefit Plans. For Non-Qualifying Benefit Plans, the amount subject to federal deposit insurance is the Maximum Insured Amount. Under FDIC regulations, an individual's interests in Non-Qualifying Benefit Plans maintained by the same employer or employee organization (e.g., a union) which are holding deposits at the same institution will be insured up to the Maximum Insured Amount in the aggregate, separate from other accounts held at the same depository institution in other ownership capacities.

This general rule regarding pass-through insurance is subject to the following limitations and exceptions:

- *Total Coverage Might Not Equal the Maximum Retirement Account Amount Times the Number of Participants.* Each deposit held by an employee benefit plan may not necessarily be insured for an amount equal to the number of participants multiplied by the Maximum Retirement Account Amount. For example, suppose an employee benefit plan owns $500,000 in CDs at one institution. Suppose, further, that the employee benefit plan has two participants, one with a vested non-contingent interest of $300,000 and one with a vested non-contingent interest of $200,000. The individual with the $300,000 interest would be insured up to the $250,000 Maximum Retirement Account Amount limit and the individual with the $200,000 interest would be insured up to the full value of such interest.
- *Aggregation.* An individual's non-contingent interests in funds deposited with the same depository institution by different employee benefit plans of the same employer or employee organization are aggregated for purposes of applying this pass-through Maximum Retirement Account Amount per participant deposit insurance limit, and are insured in aggregate only up to the Maximum Retirement Account Amount per participant.
- *Contingent Interests/Overfunding.* Any portion of an employee benefit plan's deposits that is not attributable to the non-contingent interests of employee benefit plan participants is not eligible for pass-through deposit insurance coverage, and is insured, in aggregate, only up to the Maximum Insured Amount.

To the extent that a CD purchaser expects its beneficial interest in the CDs to be fully covered by FDIC insurance, such purchaser, by purchasing a CD, is deemed to represent to the Bank and its broker that its beneficial interest (or if it is an agent, nominee, custodian or other person who is purchasing a CD for its beneficial owners, that each beneficial owner's beneficial interest) in other deposits in the Issuer, when aggregated with the beneficial interest in the CD so purchased, to the extent that aggregation is required in determining insurance of accounts under the federal deposit insurance regulations, does not exceed the Maximum Insured Amount (or the Maximum Retirement Account Amount per participant in the case of certain retirement accounts as described above).

Payments Under Adverse Circumstances

As with all deposits, if it becomes necessary for federal deposit insurance payments to be made on the CDs, there is no specific time period during which the FDIC must make insurance payments available. Accordingly, you should be prepared for the possibility of an indeterminate delay in obtaining insurance payments.

As explained above, the deposit insurance limits apply to the principal and any interest that has been ascertained and become due on all CDs and other deposit accounts maintained by you at the Issuer in the same legal ownership category. The records maintained by the Issuer and your broker regarding ownership of CDs will be used to establish your eligibility for federal deposit insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to your Broker before insurance payments are released to you. For example, if you hold CDs as trustee for the benefit of trust participants, you may also be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and provide indemnities regarding an insurance payment.

In the event that insurance payments become necessary for your CDs, the FDIC is required to pay the original Principal Amount plus accrued Interest Payment Amount that have been ascertained and become due subject to the federal deposit insurance limits. No Interest Payment Amounts will be earned on deposits from the time the Issuer is closed until insurance payments are received.

As an alternative to a direct deposit insurance payment from the FDIC, the FDIC may transfer the insured deposits of an insolvent institution to a healthy institution. Subject to insurance verification requirements and the limits on deposit insurance coverage, the healthy institution may assume the CDs under the original terms or offer you a choice between paying the CD off and maintaining the deposit at a different rate. Your Broker will advise you of your options in the event of a deposit transfer.

Your broker will not be obligated to you for amounts not covered by deposit insurance nor will your broker be obligated to make any payments to you in satisfaction of a loss you might incur as a result of (i) a delay in insurance payouts applicable to your CD, (ii) your receipt of a decreased interest rate on an investment replacing your CD as a result of the payment of the principal of your CD prior to its stated maturity, or (iii) payment in cash of the principal of your CD prior to its stated maturity in connection with the liquidation of the Issuer or the assumption of all or a portion of its deposit liabilities. In connection with the latter, the amount of a payment on a CD which had been purchased at a premium in the secondary market is based on the original Principal Amount and not on any premium amount. Therefore, you can lose up to the full amount of the premium as a result of such a payment. Also, your broker will not be obligated to credit your account with funds in advance of payments received from the FDIC.

CERTAIN ERISA CONSIDERATIONS

Please refer to the section entitled "Certain ERISA Considerations" in the Base Disclosure Statement.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

Set forth below is a summary of certain U.S. federal income tax considerations relevant to the purchase, beneficial ownership, and disposition of a CD.

For purposes of this summary, a "U.S. Holder" is a beneficial owner of a CD that is:

- an individual who is a citizen or a resident of the United States for U.S. federal income tax purposes;
- a corporation (or other entity that is treated as a corporation for U.S. federal tax purposes) that is created or organized in or under the laws of the United States or any State thereof (including the District of Columbia);
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over its administration, and one or more United States persons, as defined for U.S. federal income tax purposes, have the authority to control all of its substantial decisions.

For purposes of this summary, a "Non-U.S. Holder" is a beneficial owner of a CD that is:

- a nonresident alien individual for U.S. federal income tax purposes;
- a foreign corporation for U.S. federal income tax purposes;
- an estate, the income of which is not subject to U.S. federal income tax on a net income basis; or
- a trust if no court within the United States is able to exercise primary jurisdiction over its administration or if no United States persons, as defined for U.S. federal income tax purposes, have the authority to control all of its substantial decisions.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year).

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the "Code"), regulations issued there under, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the U.S. federal income tax consequences described herein. This summary addresses only holders that purchase CDs at initial issuance and beneficially own such CDs as capital assets and not as part of a "straddle," "hedge," "synthetic security" or a "conversion transaction" for U.S. federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences that may be relevant to particular depositors or to depositors subject to special treatment under the U.S. federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; depositors that hold their CDs through a partnership or other entity treated as a partnership for U.S. federal tax purposes; depositors whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; persons subject to the alternative minimum tax; retirement plans or other tax-exempt entities, or persons holding the CDs in tax-deferred or tax-advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of CDs, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the CDs. This summary assumes that the issue price of the CDs, as determined for U.S. federal income tax purposes, equals the Principal Amount thereof.

PROSPECTIVE PURCHASERS OF THE CDs SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL, AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE CDs.

Tax Characterization of the CDs

The proper U.S. federal income tax characterization of the CDs is uncertain. The Issuer intends to treat the CDs for U.S. federal income tax purposes as "variable rate debt instruments." Notwithstanding the foregoing, there can be no assurance that the IRS or a court will agree with the characterization of the CDs as variable rate debt instruments. Moreover, the IRS could possibly assert that the CDs should be characterized for U.S. federal income tax purposes as contingent payment debt instruments. In such event, each CD would be subject to the special U.S. Treasury regulations governing contingent payment debt instruments, and among other tax consequences, each CD would be treated as having been issued with original issue discount that must be accrued over the term of the CD. Prospective investors should consult their own tax advisors concerning the proper U.S. federal income tax characterization of the CDs. The remainder of the following discussion assumes that the CDs are properly characterized for U.S. federal income tax purposes as variable rate debt instruments. Pursuant to the terms of the CDs, you agree to treat the CDs consistent with this treatment for all U.S. federal income tax purposes.

The Issuer will not attempt to ascertain whether any of the Reference Issuers would be treated as a passive foreign investment company ("PFIC") or United States real property holding corporation ("USRPHC"), both as defined for U.S. federal income tax purposes. If any Reference Issuer were so treated, certain adverse U.S. federal income tax consequences might apply to a U.S. Holder in the case of a PFIC and to a Non-U.S. Holder in the case of a USRPHC. You should refer to information filed with the SEC and other authorities by a Reference Issuer, and consult your tax advisor regarding the possible consequences to you if any Reference Issuer is or becomes a PFIC or a USRPHC.

Tax Treatment of U.S. Holders

Payments of Interest

Interest on a CD will be taxable to a U.S. Holder as ordinary interest income as it accrues or is received in accordance with the U.S. Holder's normal method of accounting for tax purposes.

Sale, Exchange, Redemption, Maturity or Other Disposition of the CDs

Upon the disposition of a CD by sale, exchange, redemption, repayment of principal at maturity or other taxable disposition, a U.S. Holder will generally recognize taxable gain or loss equal to the difference between (i) the amount realized on the disposition (other than amounts attributable to accrued but untaxed interest which will be taxable as such) and (ii) the U.S. Holder's tax basis in the CD. A U.S. Holder's tax basis in a CD generally will equal the cost of the CD to the U.S. Holder. Any such gain or loss will generally constitute capital gain or loss. Capital gain of individual taxpayers from the sale, exchange or other disposition of a CD held for more than one year may be eligible for reduced rates of taxation. The deductibility of a capital loss realized on the sale, exchange, or other disposition of a CD is subject to limitations.

Additional Medicare Tax

A U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will be subject to a 3.8% tax on the lesser of (1) the U.S. Holder's "net investment income" for the relevant taxable year and (2) the excess of the U.S. Holder's modified gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual's circumstances). Net investment income generally includes passive income such as interest and capital gains. Holders are urged to consult their tax advisors regarding the applicability of the Medicare tax to their income and gains in respect of their investment in the CDs.

Tax Treatment of Non-U.S. Holders

Taxation of Interest and Disposition of the CDs

In general, subject to the discussion below, Non-U.S. Holders will not be subject to any U.S. federal income or withholding tax on any interest income from a CD so long as the income or gain is not effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States. Additionally, Non-U.S. Holders will not be subject to any U.S. federal income or withholding tax on any gain on the sale, early withdrawal, maturity or other dispositions of a CD so long as the income or gain is not effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States and the Non-U.S. Holder is not an individual present in the United States for 183 days or more in the taxable year in which the gain is recognized.

A "dividend equivalent" payment is treated as a dividend from sources within the United States and such payments generally would be subject to a 30% U.S. withholding tax if paid to a non-U.S. holder. Under U.S. Treasury Department regulations, payments (including deemed payments) with respect to equity-linked instruments ("ELIs") that are "specified ELIs" may be treated as dividend equivalents if such specified ELIs reference an interest in an "underlying security," which is generally any interest in an entity taxable as a corporation for U.S. federal income tax purposes if a payment with respect to such interest could give rise to a U.S. source dividend. However, the IRS has issued guidance that states that the U.S. Treasury Department and the IRS intend to amend the effective dates of the Internal Revenue Service to provide that withholding on dividend equivalent payments will not apply to specified ELIs that are not delta-one instruments and that are issued before January 1, 2019. Accordingly, non-U.S. holders should not be subject to withholding on dividend equivalent payments, if any, under the CDs. However, it is possible that the notes could be treated as deemed reissued for U.S. federal income tax purposes upon the occurrence of certain events affecting the Reference Asset or the notes, and following such occurrence the notes could be treated as subject to withholding on dividend equivalent payments. Non-U.S. holders that enter, or have entered, into other transactions in respect of the Reference Asset or the CDs should consult their tax advisors as to the application of the dividend equivalent withholding tax in the context of the CDs and their other transactions. If any payments are treated as dividend equivalents subject to withholding, we (or the applicable paying agent) would be entitled to withhold taxes without being required to pay any additional amounts with respect to amounts so withheld

U.S. Federal Estate Tax Treatment of Non-U.S. Holders

CDs held (or treated as held) by an individual who is a Non-U.S. Holder at the time of his or her death will not be subject to U.S. federal estate tax, provided that the individual would not be subject to any U.S. federal income or withholding tax with respect to income or gain on the CDs.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder of the CDs, and "backup withholding" with respect to certain payments made on or with respect to the CDs. Information reporting and backup withholding generally will not apply to U.S. Holders that are corporations or certain other "exempt recipients" if the U.S. Holder provides the Issuer with a properly completed IRS Form W-9, and will not apply to a Non-U.S. Holder if the Non-U.S. Holder provides the Issuer with a properly completed IRS Form W-8BEN or IRS Form W-8BEN-E, as the case may be. Interest paid to a Non-U.S. Holder who is an individual may be reported on IRS Form 1042-S that is filed with the IRS and sent to the Non-U.S. Holder.

Backup withholding is not an additional tax and may be refunded (or credited against a depositor's U.S. federal income tax liability, if any), if certain required information is furnished.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("FATCA") imposes a 30% U.S. withholding tax on certain U.S. source payments, including interest (and original issue discount), dividends, other fixed or determinable annual or periodical gain, profits, and income, and on the gross proceeds from a disposition of property of a type which can produce U.S. source interest or dividends ("Withholdable Payments"), if paid to a foreign financial institution (including amounts paid to a foreign financial institution on behalf of a holder), unless such institution enters into an agreement with the U.S. Treasury Department to collect and provide to the U.S. Treasury Department certain information regarding U.S. financial account holders, including certain account holders that are foreign entities with U.S. owners, with such institution, or otherwise complies with FATCA. FATCA also generally imposes a withholding tax of 30% on Withholdable Payments made to a non-financial foreign entity unless such entity provides the withholding agent with a certification that it does not have any substantial U.S. owners or a certification identifying the direct and indirect substantial U.S. owners of the entity. Under certain circumstances, a holder may be eligible for refunds or credits of such taxes.

The U.S. Treasury Department and the IRS have announced that withholding on payments of gross proceeds from a sale or redemption of the CDs will only apply to payments made after December 31, 2018. If the Issuer determines withholding is appropriate with respect to the CDs, the Issuer will withhold tax at the applicable statutory rate, and the Issuer will not pay any additional amounts in respect of such withholding. Prospective depositors are urged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in the CDs.

The preceding discussion is only a summary of certain of the tax implications of purchasing the CDs. Prospective depositors are urged to consult with their own tax advisors prior to purchasing to determine the tax implications of a purchase in light of that depositor's particular circumstances.

ANNEX A: DESCRIPTION OF THE REFERENCE SECURITIES

General

These Terms and Conditions are not an offer to sell and are not an offer to buy interests in the Reference Securities. We have derived all information in these Terms and Conditions about the Reference Issuers and Reference Securities from publicly available documents. We have not participated and will not participate in the preparation of any of those documents. Nor have we made or will we make any "due diligence" investigation or any inquiry with respect to the Reference Issuers in connection with the offering of the CDs. We do not make any representation that any publicly available document or any other publicly available information about the Reference Issuers is accurate or complete. Furthermore, we do not know whether all events occurring before the date of these Terms and Conditions, including events that would affect the accuracy or completeness of the publicly available documents referred to above or the trading value of the Reference Securities, have been publicly disclosed. Subsequent disclosure of any events of this kind or the disclosure of or failure to disclose material future events concerning the Reference Issuers could affect the interest payable on the CDs and their market value.

Below is a brief description of each Reference Security and its performance for each quarter from January 1, 2008 or the date when the applicable Reference Security began trading. This information is from Bloomberg, LP, without independent verification by us. In addition, information regarding the Reference Issuers may have been obtained from other sources, including, but not limited to, press releases, newspaper articles and other publicly disseminated documents. The information contained herein is furnished as a matter of information only.

Fluctuations in or share prices of the Reference Securities that have occurred in the past should not be taken as indicative of fluctuations in or closing share prices of the Reference Securities that may occur over the term of the CDs. Neither the Issuer nor any of its affiliates makes any representation as to the performance of the Reference Securities.

We make no representation as to the amount of dividends, if any, that any of the Reference Issuers may pay in the future. In any event, as an investor in the CDs, you will not be entitled to receive dividends, if any, that may be payable on any of the Reference Securities.

We urge you to read the sections “Description of the CDs—Information with Respect to Certain Reference Assets” beginning on page 4 of the Base Disclosure Statement and “Reference Firms and Reference Assets” on page 28 of the Base Disclosure Statement.

Altria Group, Inc.

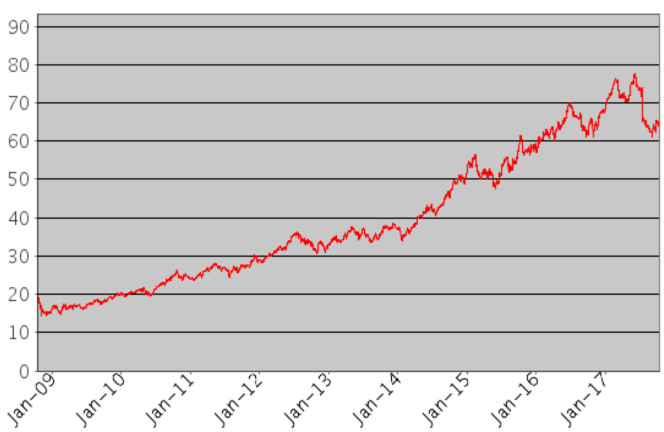
Altria Group, Inc. is a holding company. The company, through subsidiaries, manufactures and sells cigarettes and other tobacco products, including cigars and pipe tobacco. Altria holds an interest in a brewery company. Information filed by this company with the SEC under the Exchange Act can be located by reference on the SEC website (http://www.sec.gov). Its common stock is listed on the New York Stock Exchange ("NYSE") under the ticker symbol "MO."

The following table sets forth the quarterly high and low closing prices, as well as end-of-quarter closing prices, of this Reference Security for each of the quarters indicated below, with the last row showing these prices from the beginning of the latest quarter through the date indicated. We have not undertaken any independent review of, or made any due diligence inquiry with respect to, the information obtained from Bloomberg, LP. Historical prices of this Reference Security should not be taken as an indication of its future performance.

Quarter Ending	Quarterly High (in $)	Quarterly Low (in $)	Quarterly Close (in $)
December 31, 2008	20.55	14.45	15.06
March 31, 2009	17.27	14.62	16.02
June 30, 2009	17.39	16.02	16.39
September 30, 2009	18.59	16.30	17.81
December 31, 2009	20.37	17.47	19.63
March 31, 2010	20.82	19.37	20.52
June 30, 2010	21.70	19.57	20.04
September 30, 2010	24.25	20.04	24.02
December 31, 2010	26.15	23.78	24.62
March 31, 2011	26.11	23.51	26.03
June 30, 2011	28.06	25.94	26.41
September 30, 2011	27.19	24.36	26.81
December 30, 2011	30.31	26.50	29.65
March 30, 2012	30.87	28.14	30.87
June 29, 2012	34.55	30.87	34.55
September 28, 2012	36.16	32.94	33.39
December 31, 2012	34.05	30.49	31.42
March 28, 2013	35.32	31.42	34.39
June 28, 2013	37.46	34.30	34.99
September 30, 2013	37.23	33.46	34.35
December 31, 2013	38.57	34.35	38.39
March 31, 2014	38.39	34.00	37.43
June 30, 2014	43.12	37.39	41.94
September 30, 2014	46.04	40.50	45.94
December 31, 2014	51.27	45.17	49.27
March 31, 2015	56.50	48.69	50.02
June 30, 2015	52.82	47.54	48.91
September 30, 2015	55.76	48.91	54.40
December 31, 2015	61.53	54.22	58.21
March 31, 2016	63.00	57.20	62.66
June 30, 2016	68.96	60.18	68.96
September 30, 2016	69.87	62.72	63.23
December 30, 2016	67.85	61.19	67.62
March 31, 2017	76.45	67.51	71.42
June 30, 2017	77.71	70.22	74.47
September 29, 2017	74.61	61.22	63.42
October 25, 2017*	65.37	62.55	63.79

* These Terms and Conditions include, for the last quarter in the table above, data from the date following the last date of the immediately preceding quarter through October 25, 2017. Accordingly, the "Quarterly High," "Quarterly Low" and "Quarterly Close" data indicated are for this shortened period only.

The following graph sets forth the historical performance of this Reference Security using its daily closing prices obtained from Bloomberg, LP.



Bristol-Myers Squibb Company

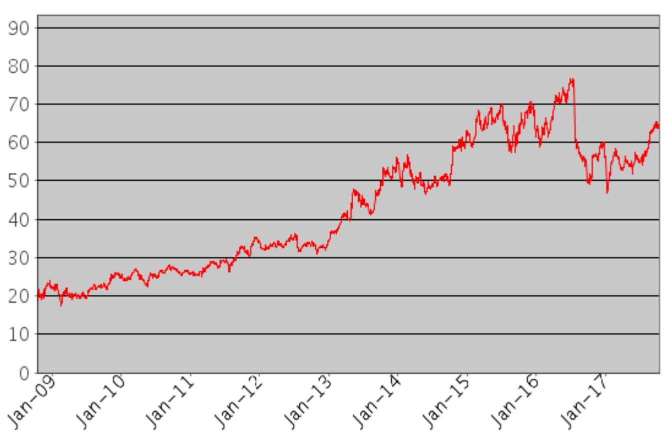
Bristol-Myers Squibb Company is a global biopharmaceutical company. The company develops, licenses, manufactures, markets, and sells pharmaceutical and nutritional products. Bristol-Myers Squibb products and experimental therapies address cancer, heart disease, HIV and AIDS, diabetes, rheumatoid arthritis, hepatitis, organ transplant rejection, and psychiatric disorders. Information filed by this company with the SEC under the Exchange Act can be located by reference on the SEC website (http://www.sec.gov). Its common stock is listed on the New York Stock Exchange ("NYSE") under the ticker symbol "BMY."

The following table sets forth the quarterly high and low closing prices, as well as end-of-quarter closing prices, of this Reference Security for each of the quarters indicated below, with the last row showing these prices from the beginning of the latest quarter through the date indicated. We have not undertaken any independent review of, or made any due diligence inquiry with respect to, the information obtained from Bloomberg, LP. Historical prices of this Reference Security should not be taken as an indication of its future performance.

Quarter Ending	Quarterly High (in $)	Quarterly Low (in $)	Quarterly Close (in $)
December 31, 2008	23.25	17.26	23.25
March 31, 2009	23.88	17.51	21.92
June 30, 2009	21.97	19.15	20.31
September 30, 2009	22.95	19.37	22.52
December 31, 2009	25.96	21.77	25.25
March 31, 2010	27.00	23.89	26.70
June 30, 2010	26.95	22.44	24.94
September 30, 2010	27.93	24.65	27.11
December 31, 2010	27.51	25.24	26.48
March 31, 2011	27.29	24.97	26.43
June 30, 2011	29.33	26.43	28.96
September 30, 2011	31.49	26.38	31.38
December 30, 2011	35.29	30.15	35.24
March 30, 2012	35.24	31.85	33.75
June 29, 2012	35.95	32.47	35.95
September 28, 2012	36.15	31.57	33.75
December 31, 2012	34.38	30.81	32.59
March 28, 2013	41.19	32.59	41.19
June 28, 2013	47.68	39.68	44.69
September 30, 2013	47.53	41.32	46.28
December 31, 2013	53.84	46.28	53.15
March 31, 2014	56.61	48.54	51.95
June 30, 2014	52.19	46.59	48.51
September 30, 2014	51.96	47.86	51.18
December 31, 2014	61.30	48.92	59.03
March 31, 2015	68.47	58.48	64.50
June 30, 2015	69.15	63.00	66.54
September 30, 2015	70.06	57.30	59.20
December 31, 2015	70.71	59.20	68.79
March 31, 2016	68.79	58.87	63.88
June 30, 2016	74.29	63.88	73.55
September 30, 2016	76.77	53.87	53.92
December 30, 2016	59.61	49.23	58.44
March 31, 2017	60.13	46.82	54.38
June 30, 2017	57.33	51.66	55.72
September 29, 2017	63.74	54.24	63.74
October 25, 2017*	65.35	63.65	64.00

* These Terms and Conditions include, for the last quarter in the table above, data from the date following the last date of the immediately preceding quarter through October 25, 2017. Accordingly, the "Quarterly High," "Quarterly Low" and "Quarterly Close" data indicated are for this shortened period only.

The following graph sets forth the historical performance of this Reference Security using its daily closing prices obtained from Bloomberg, LP.



Ford Motor Company

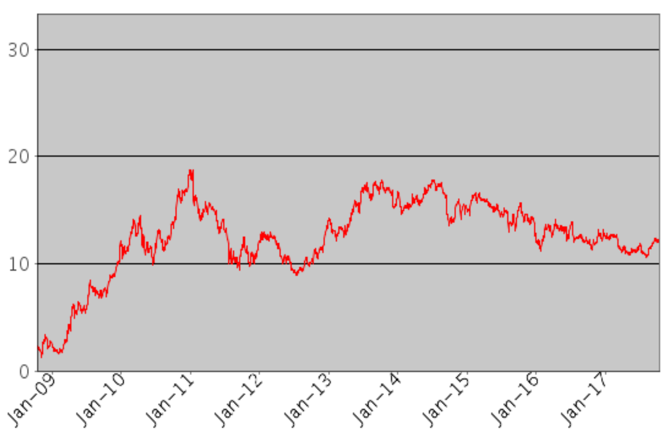
Ford Motor Company designs, manufactures, and services cars and trucks. The company also provides vehicle-related financing, leasing, and insurance through its subsidiary. Information filed by this company with the SEC under the Exchange Act can be located by reference on the SEC website (http://www.sec.gov). Its common stock is listed on the New York Stock Exchange ("NYSE") under the ticker symbol "F."

The following table sets forth the quarterly high and low closing prices, as well as end-of-quarter closing prices, of this Reference Security for each of the quarters indicated below, with the last row showing these prices from the beginning of the latest quarter through the date indicated. We have not undertaken any independent review of, or made any due diligence inquiry with respect to, the information obtained from Bloomberg, LP. Historical prices of this Reference Security should not be taken as an indication of its future performance.

Quarter Ending	Quarterly High (in $)	Quarterly Low (in $)	Quarterly Close (in $)
December 31, 2008	5.20	1.26	2.29
March 31, 2009	2.94	1.58	2.63
June 30, 2009	6.41	2.63	6.07
September 30, 2009	8.44	5.35	7.21
December 31, 2009	10.20	6.84	10.00
March 31, 2010	14.10	10.00	12.57
June 30, 2010	14.46	9.88	10.08
September 30, 2010	13.16	10.08	12.24
December 31, 2010	17.00	12.24	16.79
March 31, 2011	18.79	14.01	14.91
June 30, 2011	15.79	12.78	13.79
September 30, 2011	14.12	9.62	9.67
December 30, 2011	12.51	9.37	10.76
March 30, 2012	12.96	10.76	12.49
June 29, 2012	12.64	9.59	9.59
September 28, 2012	10.59	8.92	9.86
December 31, 2012	12.95	9.79	12.95
March 28, 2013	14.30	12.13	13.15
June 28, 2013	15.90	12.44	15.47
September 30, 2013	17.66	15.47	16.87
December 31, 2013	17.76	15.15	15.43
March 31, 2014	16.73	14.55	15.60
June 30, 2014	17.28	15.46	17.24
September 30, 2014	17.84	14.79	14.79
December 31, 2014	16.01	13.54	15.50
March 31, 2015	16.57	14.46	16.14
June 30, 2015	16.14	14.78	15.01
September 30, 2015	15.21	12.90	13.57
December 31, 2015	15.68	13.57	14.09
March 31, 2016	14.09	11.17	13.50
June 30, 2016	14.09	12.16	12.57
September 30, 2016	13.92	11.94	12.07
December 30, 2016	13.17	11.34	12.13
March 31, 2017	13.17	11.46	11.64
June 30, 2017	11.64	10.76	11.19
September 29, 2017	11.97	10.56	11.97
October 25, 2017*	12.39	11.97	12.04

* These Terms and Conditions include, for the last quarter in the table above, data from the date following the last date of the immediately preceding quarter through October 25, 2017. Accordingly, the "Quarterly High," "Quarterly Low" and "Quarterly Close" data indicated are for this shortened period only.

The following graph sets forth the historical performance of this Reference Security using its daily closing prices obtained from Bloomberg, LP.



HP Inc.

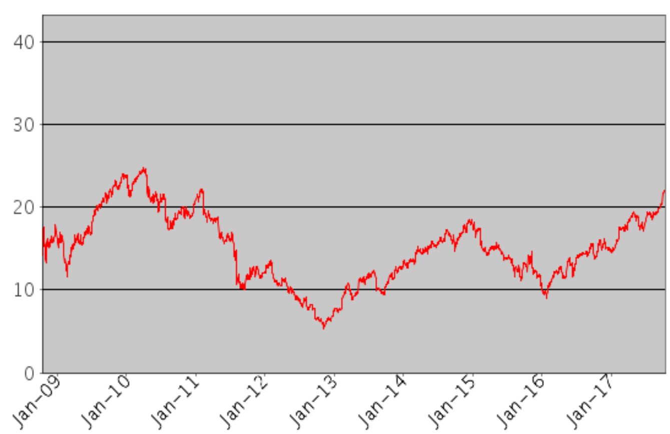
HP Inc. provides imaging and printing systems, computing systems, mobile devices, solutions, and services for business and home. The company offers products which includes laser and inkjet printers, scanners, copiers and faxes, personal computers, workstations, storage solutions, and other computing and printing systems. HP sells its products worldwide. Information filed by this company with the SEC under the Exchange Act can be located by reference on the SEC website (http://www.sec.gov). Its common stock is listed on the New York Stock Exchange ("NYSE") under the ticker symbol "HPQ."

The following table sets forth the quarterly high and low closing prices, as well as end-of-quarter closing prices, of this Reference Security for each of the quarters indicated below, with the last row showing these prices from the beginning of the latest quarter through the date indicated. We have not undertaken any independent review of, or made any due diligence inquiry with respect to, the information obtained from Bloomberg, LP. Historical prices of this Reference Security should not be taken as an indication of its future performance.

Quarter Ending	Quarterly High (in $)	Quarterly Low (in $)	Quarterly Close (in $)
December 31, 2008	20.99	13.32	16.48
March 31, 2009	17.85	11.59	14.56
June 30, 2009	17.70	14.56	17.55
September 30, 2009	21.74	16.73	21.43
December 31, 2009	24.03	20.56	23.39
March 31, 2010	24.29	21.35	24.13
June 30, 2010	24.75	19.65	19.65
September 30, 2010	21.60	17.25	19.10
December 31, 2010	20.09	18.45	19.11
March 31, 2011	22.24	18.22	18.60
June 30, 2011	18.87	15.55	16.53
September 30, 2011	17.01	10.13	10.19
December 30, 2011	12.90	10.08	11.70
March 30, 2012	13.57	10.46	10.82
June 29, 2012	11.46	8.79	9.13
September 28, 2012	9.24	7.59	7.75
December 31, 2012	7.81	5.32	6.47
March 28, 2013	10.82	6.47	10.82
June 28, 2013	11.55	8.88	11.26
September 30, 2013	12.39	9.53	9.53
December 31, 2013	12.85	9.42	12.70
March 31, 2014	14.78	12.46	14.69
June 30, 2014	15.96	14.34	15.29
September 30, 2014	17.32	15.21	16.10
December 31, 2014	18.49	14.64	18.22
March 31, 2015	18.47	14.15	14.15
June 30, 2015	15.78	13.61	13.62
September 30, 2015	14.18	11.15	11.63
December 31, 2015	14.64	11.43	11.84
March 31, 2016	12.32	9.02	12.32
June 30, 2016	13.87	11.43	12.55
September 30, 2016	15.53	12.36	15.53
December 30, 2016	16.16	13.80	14.84
March 31, 2017	17.88	14.58	17.88
June 30, 2017	19.47	17.27	17.48
September 29, 2017	19.97	17.19	19.96
October 25, 2017*	22.12	19.96	21.67

* These Terms and Conditions include, for the last quarter in the table above, data from the date following the last date of the immediately preceding quarter through October 25, 2017. Accordingly, the "Quarterly High," "Quarterly Low" and "Quarterly Close" data indicated are for this shortened period only.

The following graph sets forth the historical performance of this Reference Security using its daily closing prices obtained from Bloomberg, LP.



Verizon Communications Inc.

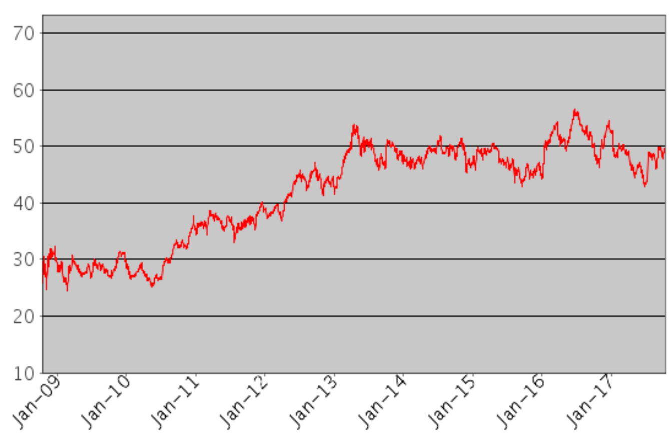
Verizon Communications Inc. is an integrated telecommunications company that provides wire line voice and data services, wireless services, Internet services, and published directory information. The company also provides network services for the federal government including business phone lines, data services, telecommunications equipment, and payphones. Information filed by this company with the SEC under the Exchange Act can be located by reference on the SEC website (http://www.sec.gov). Its common stock is listed on the New York Stock Exchange ("NYSE") under the ticker symbol "VZ."

The following table sets forth the quarterly high and low closing prices, as well as end-of-quarter closing prices, of this Reference Security for each of the quarters indicated below, with the last row showing these prices from the beginning of the latest quarter through the date indicated. We have not undertaken any independent review of, or made any due diligence inquiry with respect to, the information obtained from Bloomberg, LP. Historical prices of this Reference Security should not be taken as an indication of its future performance.

Quarter Ending	Quarterly High (in $)	Quarterly Low (in $)	Quarterly Close (in $)
December 31, 2008	31.98	23.43	31.68
March 31, 2009	32.37	24.46	28.22
June 30, 2009	30.86	26.92	28.71
September 30, 2009	30.19	26.74	28.28
December 31, 2009	31.52	26.76	30.96
March 31, 2010	31.15	26.51	28.98
June 30, 2010	29.40	25.16	26.18
September 30, 2010	32.86	26.18	32.59
December 31, 2010	35.78	31.90	35.78
March 31, 2011	38.54	34.30	38.54
June 30, 2011	38.61	35.12	37.23
September 30, 2011	37.82	33.12	36.80
December 30, 2011	40.12	35.35	40.12
March 30, 2012	40.12	37.21	38.23
June 29, 2012	44.44	36.80	44.44
September 28, 2012	45.89	42.25	45.57
December 31, 2012	47.26	41.40	43.27
March 28, 2013	49.48	41.51	49.15
June 28, 2013	53.91	48.30	50.34
September 30, 2013	51.49	45.91	46.66
December 31, 2013	51.14	46.05	49.14
March 31, 2014	49.30	45.98	47.57
June 30, 2014	50.05	45.94	48.93
September 30, 2014	51.97	48.40	49.99
December 31, 2014	51.50	45.42	46.78
March 31, 2015	49.81	45.71	48.63
June 30, 2015	50.55	46.61	46.61
September 30, 2015	48.10	43.50	43.51
December 31, 2015	47.21	42.84	46.22
March 31, 2016	54.08	44.15	54.08
June 30, 2016	55.84	49.14	55.84
September 30, 2016	56.53	51.20	51.98
December 30, 2016	53.74	46.18	53.38
March 31, 2017	54.64	48.03	48.75
June 30, 2017	49.31	44.41	44.66
September 29, 2017	49.90	42.89	49.49
October 25, 2017*	49.90	47.86	48.64

* These Terms and Conditions include, for the last quarter in the table above, data from the date following the last date of the immediately preceding quarter through October 25, 2017. Accordingly, the "Quarterly High," "Quarterly Low" and "Quarterly Close" data indicated are for this shortened period only.

The following graph sets forth the historical performance of this Reference Security using its daily closing prices obtained from Bloomberg, LP.



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