BNP PARIBAS

EXECUTION VERSION

$2,000,000,000 10-Year Fixed Rate Notes, Due 2021

Terms used in this "Pricing Supplement" are described or defined in the attached Product Supplement. The Notes will have terms described in the Product Supplement, Prospectus Supplement and Base Prospectus, as supplemented by this Pricing Supplement. If the terms described in this Pricing Supplement are different or inconsistent with those described in the Product Supplement, Prospectus Supplement or in the Base Prospectus, the terms described in this Pricing Supplement will supersede. Before you decide to invest we urge you to read this Pricing Supplement together with the Product Supplement, Prospectus Supplement and Base Prospectus, each of which can be accessed via the hyperlinks below:

- **Prospectus Supplement and Base Prospectus** http://eqdus.bnpparibas.com/Home.aspx?Download=USSP\doc\2010ProspectusSupplementandBaseProspectus.pdf
- **Product Supplement** http://eqdus.bnpparibas.com/Home.aspx?Download=USSP\doc\2010ProductSupplement.pdf

Issuer: BNP Paribas SA (rated AA/Aa2/AA-)*
Guarantor: The Issuer acting through the New York Branch.
Principal Amount: $2,000,000,000
Issue Price: 99.233 % of $2,000,000,000
Trade Date: January 12, 2011.
Issue Date: January 18, 2011, 2011.
Maturity Date: January 15, 2021.
Redemption Amount: 100% of the Principal Amount of the Notes.
Call Option: Not Applicable.
Type of Notes: Fixed Rate.
Rate of Interest: 5.00% per annum
Benchmark: 3.349% - US Treasury 2.625% due November 15, 2020.
Issue yield: 5.099%, per annum
Issue Spread to Pricing Benchmark: 1.750%
Interest Payment Date(s): January 15 and July 15 of each year, commencing on July 15, 2011 and ending on the Maturity Date.
Interest Calculation Period: The Interest Amount will be payable semi-annually in arrears on each Interest Payment Date. The first Interest Calculation Period will begin on, and include the Issue Date and end on, but exclude, the first Interest Payment Date. Subsequent Interest Calculation Periods will begin on, and include, the most recent Interest Payment Date and end on, but exclude, the next succeeding Interest Payment Date.
Business Day Convention: Modified Following.
Day Count Fraction: 30/360, unadjusted.
Business Day: New York.
Lead Manager: BNP Paribas Securities Corp. ("BNPP Securities").
Co-Managers: Citigroup Global Markets Inc, J.P. Morgan Securities LLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated
Denominations: The Notes will be issued in denominations of $1,000. Minimum trading size is $1,000. The Notes may only be transferred in amounts of $1,000 and increments of $1,000 thereafter.
CUSIP: 05567LT31
Series: 831

"AA" (negative outlook) by Standard and Poor's Ratings Group, a rating of "Aa2" (stable outlook) by Moody's Investors Service Ltd, and a rating of "AA-" (stable outlook) by Fitch Ratings. A rating (1) is subject to downward revision, suspension or withdrawal at any time by the assigning rating organization, (2) does not take into account market risk or the performance-related risks of the investment, and (3) is not a recommendation to buy, sell or hold securities.

See "Selected Risk Considerations" beginning on page 2 of this Pricing Supplement.

The Issuer has not been registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), and the Notes and the Guarantee have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"), or the state securities laws of any state of the United States or the securities laws of any other jurisdiction and are being offered pursuant to the registration exemption contained in Section 3(a)(2) of the Securities Act.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Notes or determined that this Pricing Supplement is truthful or complete. Any representation to the contrary is a criminal offense. Under no circumstances shall this Pricing Supplement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these Notes, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction.

The Notes constitute unconditional liabilities of the Issuer and the Guarantee constitutes an unconditional obligation of the Guarantor. The Notes and the Guarantee are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal agency.

BNP PARIBAS

ADDITIONAL TERMS

You should read this Pricing Supplement together with the Product Supplement, Prospectus Supplement and Base Prospectus. This Pricing Supplement, together with the Product Supplement, Prospectus Supplement and Base Prospectus, contains the terms of the Notes and supersedes all prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in "Risk Factors" in the Base Prospectus, Prospectus Supplement and Product Supplement, as the Notes involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisors before you invest in the Notes.

An investment in the Notes entails significant risks relating to the Notes not associated with similar investments in a conventional debt security, including those described below. You should read the following information about these risks, together with the other information in this Pricing Supplement, before investing in the Notes.

Selected Risk Considerations

An investment in the Notes involves significant risks. These risks are explained in more detail in the "Risk Factors" section of the Product Supplement, including the risk factors discussed under the following heading:

- "Risk Factors-Risks Relating To All Notes."

In addition to the risks described above, you should consider the following:

The Notes are subject to a fixed interest rate which will limit your return. The interest payments on the Notes and return of only the principal amount at maturity may not compensate you for the effects of inflation and other factors relating to the value of money over time. The effective yield to maturity of the Notes may be less than that which would be payable on other types of investments.

Illiquidity of the Secondary Market. The Notes are most suitable for purchase and holding until the Maturity Date. The Notes will be new securities for which currently there is no trading market. The Issuer does not intend to apply for listing of the Notes on any securities exchange, for inclusion in any automated quotation system. The Issuer cannot assure you whether there will be a secondary market in the Notes or, if there were to be such a secondary market, that it would be liquid. If the secondary market for the Notes is limited, there may be few or no buyers when you decide to sell your Notes if you do not wish to hold your investment until maturity. This may affect the amount received by you, if any. BNPP Securities has advised the Issuer that it or one or more of its affiliates intends to make a market in the Notes, but that neither it nor its affiliates are obligated to do so. If BNPP Securities or one or more of its affiliates makes a market in the Notes, it may discontinue any such market-making activities at any time without notice. BNPP Securities or one or more of its affiliates reserves the right from time to time to enter into agreements with one or more holders of Notes to provide a market for the Notes but is not obligated to do so or to make any market for the Notes.

Investment Is Subject To Issuer's Own Credit Risk, Its Credit Ratings And Credit Spreads May Adversely Affect The Market Value Of The Notes. Investors are dependent on the Issuer's ability to pay all amounts due on the Notes on interest payment dates and at maturity, and, therefore, investors are subject to the Issuer's own credit risk and to changes in the market's view of the Issuer's creditworthiness. Any decline in its credit ratings or increase in credit spreads charged by the market for taking the Issuer's credit risk is likely to adversely affect the value of the Notes.

The Notes and the Guarantee Are Not Registered Securities. The Notes and the Guarantee are not registered under the Securities Act or under any state securities laws and are being offered pursuant to the registration exemption contained in Section 3(a)(2) of the Securities Act. Neither the SEC nor any state securities commission or regulatory authority has recommended or approved the Notes or the Guarantee, nor has any such commission or regulatory authority reviewed or passed upon the accuracy or adequacy of the offering circular or this Pricing Supplement.

Potential Conflicts. The Issuer, BNPP Securities and their respective affiliates play a variety of roles in connection with the issuance of the Notes, including acting as calculation agent and hedging their obligations under the Notes. In performing these duties, the economic interests of the calculation agent and other affiliates of the Issuer or BNPP Securities, respectively, are potentially adverse to your interests as an investor in the Notes.

Holdings of the notes by affiliates of the Issuer and future sales may affect the price of the notes. Certain affiliates of the Issuer may purchase some of the notes for investment. Circumstances may occur in which the interests of the Issuer or those of its affiliates may be in conflict with your interests. In addition, if a substantial portion of the notes held by affiliates of the Issuer were to be offered for sale in the secondary market, if any, following such an offering, the market price of the notes may fall. The negative effect of such sales on the prices of the notes could be more pronounced if secondary trading in the notes is limited or illiquid.

Your investment in the notes is not insured by the FDIC. The notes are not insured by the Federal Deposit Insurance Corporation.

Prior to maturity, the value of the Notes will be influenced by many unpredictable factors. Many economic and market factors will influence the value of the notes. The value of the notes will be affected by a number of other factors that may either offset or magnify each other, including:

- the time remaining to maturity of the notes;
- supply and demand for the notes;
- the highest individual federal income tax rate, and expectations concerning the highest individual federal income tax rate;
- interest and yield rates in the market generally and the volatility of those rates;
- economic, financial, political and regulatory or judicial events that affect interest rates generally; and
- the creditworthiness of the Issuer, including actual or anticipated changes in the Issuer's credit ratings, financial condition or results of operations.

You must rely on your own evaluation of the merits of an investment in the Notes. In connection with your purchase of the Notes, we urge you to consult your own financial, tax and legal advisors as to the risk involved in an investment in the Notes and not rely on our reviews in any respects. You should make a complete investigation as to the merits of an investment in the Notes.

Certain United States Income Tax Considerations.

You should carefully consider, among other things, the matters set forth in "Taxation" in the Base Prospectus. The following discussion summarizes certain of the material U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition of the Notes. The Notes should be treated as not having been issued with OID for U.S. federal income tax purposes. Accordingly, United States holders should assume that they will be required to report payments of interest on the Notes as ordinary interest income at the time that such payments are accrued or are received (in accordance with the United States holder's method of tax accounting). Investors should consult their own tax advisors to determine the tax consequences to them of holding Notes. You should carefully consider, among other things, the matters set forth in "Taxation—United States Federal Income Taxation—United States Holders— Consequences of Notes Characterized as Debt" in the Base Prospectus.

Persons holding Notes who are not United States holders will be required to comply with applicable certification procedures to establish that they are not United States holders in order to avoid the application of withholding tax, information reporting requirements and backup withholding tax.

United States Internal Revenue Service (the "IRS") Circular 230 Notice: To ensure compliance with IRS Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Pricing Supplement or any document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

Product Supplement

to the Prospectus Supplement dated June 03, 2010 and Base Prospectus dated May 30, 2008

BNP Paribas, a French incorporated company (*société anonyme*) (the "Bank" and, together with its consolidated subsidiaries, the "Group" or "BNP Paribas Group") and BNP Paribas US Medium-Term Note Program LLC, a Delaware limited liability company (the "LLC" and, together with the Bank, the "Issuers" and each an "Issuer") and a wholly owned subsidiary of the Bank may offer notes from time to time (the "Notes") in one or more series (each, a "Series"). The specific terms of each Series of Notes will be set forth in a Supplement, term sheet and/or a pricing supplement, product supplement or other offering documents (each, a "Supplement").

The Issuer may from time to time offer and sell Notes linked to various types of Underlying Assets. This Product Supplement describes some of the potential payout profile and Underlying Assets to which the Notes may be linked. We will give you the specific terms of the Notes we are offering in a Supplement. You should read this Product Supplement, the prospectus supplement dated June 03, 2010 and base prospectus dated May 30, 2008 (the prospectus supplement and base prospectus, the "Base Prospectus"), and the applicable Supplements, if any, carefully before investing. If the terms described in this Product Supplement are different or inconsistent with those described in the Base Prospectus, the terms described in the Product Supplement will supersede. If the terms described in the applicable Supplement are different or inconsistent with those described herein or in the Base Prospectus, the terms described in the applicable Supplement will supersede.

Principal Protection The applicable Supplement will specify whether your principal investment in the Notes is fully protected, partially protected, contingently protected or not protected.

Principal Payment at Maturity If you hold your Notes to maturity, for each Note you may receive: (i) a cash payment; (ii) physical delivery of an Underlying Asset(s); and/or (iii) a payment as specified in the applicable Supplement.

Coupon and Coupon Payments Unless otherwise specified in the applicable Supplement, the Notes will not have any Coupon Payments. The applicable Supplement may specify whether the Notes have a coupon based on: (i) one or more Underlying Assets, (ii) a fixed amount or rate, (iii) movements in the level, value or price or other events relating to one or more Underlying Assets, and/or (iv) a basket or combination of the foregoing.

Underlying Asset The principal, coupon or any other amounts payable on the Notes may be based on measures, formula or instruments, including the occurrence or non-occurrence of any event or circumstance, or baskets comprised of any instruments or measures on one or more of the following or on movements in the level, value or price or other events relating to one or more of the following: indices of equity securities, equity securities, indices of commodities, commodities, indices of foreign currencies, foreign currencies, indices of interest rates, interest rates, indices of consumer prices, consumer prices, indices of hedge funds, or fund of funds, hedge fund or fund of fund interests, or other asset classes. To the extent that amounts payable on the Notes are based on a different Underlying Asset, the terms of the applicable Supplement will describe that Underlying Asset.

Maturity Date The applicable Supplement will specify the Maturity Date.

Denominations Unless otherwise specified in the applicable Supplement, the Notes will be issued in denominations of $1,000 (or the specified currency equivalent), and multiples of $1,000 (or the specified currency equivalent) thereafter.

Redemption, Repayment, Repurchase or Exchange Terms of specific Notes may permit or require redemption for cash or one or more Underlying Assets at the option of the Issuer, Holder, or both. The Notes may permit or require repayment or repurchase at the option of the Issuer, Holder, or both. The Notes may be optionally or mandatorily exchangeable for cash or one or more Underlying Assets.

Ranking The Notes constitute our direct, unconditional, unsecured and unsubordinated obligations ranking *pari passu*, without any preference among themselves, with all our other outstanding unsecured and unsubordinated obligations, present and future, except those obligations as are preferred by operation of law.

Listing Unless otherwise specified in the applicable Supplement, the Notes will not be listed on any U.S. securities exchange or quotation system.

Guarantee The Notes will be entitled to the benefit of an unconditional senior guarantee (the "Senior Guarantee") or subordinated guarantee (the "Subordinated Guarantee" and, together with the Senior Guarantee, the "Guarantees"), as the case may be, of the due payment thereof issued by the Bank, acting through its New York Branch (the "New York Branch" or "Branch", in such capacity, the "Guarantor").

See "Risk Factors" beginning on page 1 of this Product Supplement for risks relating to an investment in the Notes.

Neither the Securities and Exchange Commission nor any state securities commission, the New York Superintendent of Banks or other governmental authority has approved or disapproved of these securities or determined that this Product Supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The Notes and the guarantee are not deposit liabilities of the Issuer or the New York branch and are not insured by the United States Federal Deposit Insurance Corporation or any other governmental agency of the United States, France or any other jurisdiction.

November 30, 2010

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In this Product Supplement, unless the context otherwise requires, the “Issuer”, “we”, “us” and “our” mean the respective Issuer. In making your investment decision, you should read the Supplement(s), this Product Supplement and the Base Prospectus, including the documents incorporated by reference therein. No assurance can be given by us, BNP Paribas Securities Corp. (“BNPP Securities”), or the Branch as to the accuracy or completeness of such information. In making an investment decision, investors must rely on their own examinations of us, BNPP Securities, the

Branch and the terms of any offering, including the merits and risks involved. We, BNPP Securities and the Branch have not authorized anyone to provide you with any other information. If you receive any other information, you should not rely on it. You should not assume that the information included in any Supplement, this Product Supplement and the accompanying Base Prospectus or in any document incorporated by reference is accurate as of any date other than the respective dates of those documents.

This Product Supplement, Base Prospectus and any accompanying Supplement do not constitute an offer to sell, or a solicitation of an offer to buy, Notes in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. The distribution of this Product Supplement, Base Prospectus and any Supplement and the offering of the Notes in certain jurisdictions may be restricted by law. Each purchaser of the Notes must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Product Supplement, Base Prospectus and any Supplement and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales. Neither we, nor BNPP Securities, the Branch or any of our respective members, directors, officers and affiliates has any responsibility therefor. For a further description of certain restrictions on the offering, sale and resale of the Notes, see "ERISA Matters", "Plan of Distribution", and "Notice to Investors" in the Base Prospectus.

Generally, the Notes may be purchased by or transferred to (i) any employee benefit or other plan, program or arrangement subject to the US Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or Section 4975 of the US Internal Revenue Code of 1986, as amended (the "Code"), or (ii) any person acting on behalf of or using the assets of any such plan, program or arrangement, subject to conditions described in "ERISA Matters" in the Base Prospectus.

Each purchaser of the Notes will be deemed by its acceptance of the Notes to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of those Notes as set forth in the Notes or described in any Supplement, this Product Supplement, or Base Prospectus. See "ERISA Matters" and "Notice to Investors" in the Base Prospectus.

Notwithstanding anything to the contrary contained herein, all persons may disclose to any and all persons, without limitation of any kind, the federal, state and local tax treatment of the Notes, any fact relevant to understanding the federal, state and local tax treatment of the Notes and all materials of any kind (including opinions or other tax analyses) relating to such tax treatment and that may be relevant to understanding such tax treatment. However, no person may disclose the name of or identifying information with respect to any party identified herein or any pricing terms or other nonpublic business or financial information that is unrelated to the purported or claimed federal, state or local tax treatment of the Notes and is not relevant to understanding the purported or claimed federal, state or local tax treatment of the Notes.

Neither we nor BNPP Securities, the Branch or any of our respective members, directors, officers or affiliates are making any representation to any prospective investor or purchaser of the Notes regarding the legality of the investment therein by such prospective investor or purchaser under applicable legal, investment or similar laws or regulations. The contents of this Product Supplement and any Supplement are not to be construed as legal, business, accounting or tax advice. Each prospective investor or purchaser is urged to consult its own attorney, business, accounting or tax advisor for legal, business, accounting or tax advice.

To ensure compliance with United States Internal Revenue Service (the "IRS") Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Product Supplement or any document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.

RISK FACTORS

You should understand the risks of investing in the Notes and should reach an investment decision only after careful consideration with your advisors of the suitability of the Notes in light of your particular circumstances, financial and otherwise, the following risk factors and the other information included or incorporated by reference in the applicable Supplement and this Product Supplement. Please note that this Risk Factors section has various subsections addressing risk factors relating to specific types of Underlying Assets and transaction structures. We have no control over a number of matters, including economic, financial, regulatory, geographic, judicial and political events, that are important in determining the existence, magnitude, and longevity of these risks and their influence on the value of, or the payments made on, the Notes. You should not purchase the Notes unless you understand and can bear these investment risks.

RISKS RELATING TO ALL NOTES

The Notes are intended to be held to maturity.

You may receive less, and potentially significantly less, than the amount you originally invested if you sell your Notes prior to maturity. You should be willing and able to hold your Notes until maturity.

The Notes and the Guarantee are not registered securities.

The Notes and the Guarantee are not registered under the Securities Act or under any state securities laws but are being offered pursuant to the registration exemption contained in Section 3(a)(2) of the Securities Act. Neither the SEC nor any state securities commission or regulatory authority has recommended or approved of the Notes or the Guarantees, nor has any such commission or regulatory authority reviewed or passed upon the accuracy or adequacy of this Product Supplement or any applicable Supplement.

The Notes will not be listed on any securities exchange and there may not be any secondary market.

The Notes will not be listed on any securities exchange, and upon issuance, the Notes will not have an established trading market. We cannot assure you that a trading market for the Notes will develop or, if one develops, that it will be maintained. Even if there is a secondary market, it may not provide liquidity. While we anticipate that our affiliate BNPP Securities may make a market for the Notes, it is not required to do so. Since the Notes will not be listed on any securities exchange, if BNPP Securities were to cease acting as a market maker, it is likely that there would be no secondary market for the Notes. You therefore must be willing and able to hold the Notes until maturity.

Price or other movements in Underlying Assets and their components are unpredictable.

Movements in the level, value or price of the Underlying Assets or their respective components are unpredictable and may be volatile, and are influenced by complex and interrelated political, economic, financial, regulatory, geographic, judicial and other factors. As a result, it is impossible to predict whether their levels, values or prices will rise or fall during the term of the Notes. Changes in the levels, values or prices will determine the amount of interest, payments at maturity, or other amounts payable on your Notes. Therefore these changes may result in a loss of principal or the receipt of little or no interest or other payments on your Notes. As the Notes are linked to Underlying Assets that may be unpredictable and volatile, we cannot guarantee that these changes will be beneficial to you, and therefore you may receive less than the amount you initially invested in the Notes, may not receive any interest on the Notes or may experience other losses in connection with your investment in the Notes.

The historical or hypothetical performance of the Underlying Asset is not an indication of future performance.

The historical or hypothetical performance of the Underlying Assets, which may be included in the applicable Supplement, should not be taken as an indication of the future performance of the Underlying Asset. It is impossible to predict whether the level, value or price of the Underlying Asset will fall or rise during the term of the Notes.

Past fluctuations and trends in the Underlying Assets are not necessarily indicative of fluctuations or trends that may occur in the future.

You must rely on your own evaluation of the merits of an investment in the Notes.

In connection with your purchase of the Notes, we urge you to consult your own financial, tax and legal advisors as to the risks involved in an investment in the Notes and to investigate the Underlying Asset and not rely on our views in any respect. You should make a complete investigation as to the merits of an investment in the Notes.

The price at which you will be able to sell your Notes prior to maturity will depend on a number of factors, and may be substantially less than the amount you had originally invested.

If you wish to liquidate your investment in the Notes prior to maturity, your only alternative, in the absence of any repayment at option of the holder provisions, would be to sell it. At that time, there may be an illiquid market for Notes or no market at all. Even if you were able to sell your Notes, there are many factors outside of our control that may affect their market value. We believe that the market value of your Notes will be affected by the volatility of the Underlying Asset, the level, value or price of the Underlying Asset at the time of the sale, changes in interest rates, the supply and demand of the Notes and a number of other factors. Some of these factors are interrelated in complex ways; as a result, the effect of any one factor may be offset or magnified by the effect of another factor. The price, if any, at which you will be able to sell your Notes prior to maturity may be substantially less than the amount you originally invested depending upon, the level, value or price of the Underlying Asset at the time of the sale. The following paragraphs describe the manner in which we expect the market value of the Notes to be affected in the event of a change in a specific factor, assuming all other conditions remain constant.

Underlying Asset performance. We expect that the market value of the Notes prior to maturity will depend on the current level (or in some cases, performance from the date on which the Notes price) of the Underlying Asset relative to its Initial Level, value or price. If you decide to sell your Notes prior to maturity when the current level, price or value of the Underlying Asset at the time of sale is favorable relative to its Initial Level, value or price, you may nonetheless receive substantially less than the amount that would be payable at maturity based on that level, value or price because of expectations that the level, value or price will continue to fluctuate until the Final Level, value or price is determined.

Volatility of the Underlying Asset. Volatility is the term used to describe the size and frequency of market fluctuations. If the volatility of the Underlying Assets or their components increases or decreases, the market value of the Notes may be adversely affected.

Interest rates. We expect that the market value of the Notes will be affected by changes in interest rates. Interest rates also may affect the economy and, in turn, the value of the components of the Underlying Asset, which would affect the market value of the Notes.

Supply and demand for the Notes. We expect that the market value of the Notes will be affected by the supply of and demand for the Notes. In general, if the supply of the Notes decreases and/or the demand in the Notes increases, the market value of the Notes may increase. Alternatively, if the supply of the Notes increases and/or the demand in the Notes decreases, the market value of the Notes may be adversely affected. The supply of the Notes, and therefore the market value of the Notes, may be affected by inventory positions held by BNPP Securities or any market maker.

Redemption/call rights. Either your right to redeem the Notes or our right to call the Notes may affect the market value of the Notes. Generally, the grant of a redemption right to noteholders may enhance the market value of the Notes while a call right by us may adversely affect the market value of the Notes.

Our credit ratings, financial condition and results of operations. Actual or anticipated changes in our current credit ratings, as well as our financial condition or results of operations may significantly affect the market value of the Notes. However, because the return on the Notes is dependent upon factors in addition to our ability to pay our obligations under the Notes (such as the current level, value or price of the Underlying Asset), an improvement in our credit ratings, financial condition or results of operations is not expected to have a positive effect on the market value of the Notes. These credit ratings relate only to our creditworthiness, do not affect or enhance the performance of the Notes and are not indicative of the risks associated with the Notes or an investment in the Underlying Asset. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Time remaining to maturity. A "time premium" results from expectations concerning the level, value or price of the Underlying Asset during the period prior to the maturity of the Notes. As the time remaining to the maturity of the Notes decreases, this time premium will likely decrease, potentially adversely affecting the market value of the Notes. As the time remaining to maturity decreases, the market value of the Notes may be less sensitive to the volatility in the components of the Underlying Asset.

Events affecting or involving the Underlying Asset. Economic, financial, regulatory, geographic, judicial, political and other developments that affect the level, value or price of the Underlying Assets and their components, and real or anticipated changes in those factors, also may affect the market value of the Notes. For example, for Underlying Assets composed of equity securities, earnings results of a component of the Underlying Asset, and real or anticipated changes in those conditions or results, may affect the market value of the Notes.

Agent's commission and cost of hedging. The initial public offering price of the Notes includes the agent's commission or discount, if any, and the cost of hedging our obligations under the Notes. These costs may include our or our affiliates' expected cost of providing that hedge and the profit we expect to realize in consideration for assuming the risks inherent in providing that hedge. As a result, assuming no change in market conditions or any other relevant factors, the price, if any, in secondary market transactions will likely be lower than the original issue price, and could result in a substantial loss to you.

The effect of one of the factors specified above may offset some or all of any change in the market value of the Notes attributable to another factor.

The Notes are not insured against loss by any third parties.

The Notes will be solely our obligations, and no other entity will have any obligation, contingent or otherwise, to make any payments in respect of the Notes.

The Notes are not insured by the FDIC.

The Notes are not deposit liabilities of BNP Paribas and neither the Notes nor your investment in the Notes are insured by the FDIC or any other governmental agency of the United States, France or any other jurisdiction.

There are no security interests in the Notes or other financial instruments held by BNP Paribas.

There are no restrictions on our ability or the ability of any of our affiliates to sell, pledge or otherwise convey all or any portion of the securities or other instruments acquired by us or our affiliates. Neither we nor any of our affiliates will pledge or otherwise hold those securities or other instruments for the benefit of holders of the Notes. Consequently, in the event of a bankruptcy, insolvency or liquidation involving us, any of those securities or instruments that we own will be subject to the claims of our creditors generally and will not be available specifically for the benefit of the holders of the Notes. The principal, coupon or any other amounts payable on the Notes constitute our direct, unconditional, unsecured and unsubordinated obligations ranking *pari passu,* without any preference among themselves, with all our other outstanding unsecured and unsubordinated obligations, present and future, except those obligations as are preferred by operation of law.

Reported levels, values and prices of Underlying Assets and their components may be based on non-current information.

If trading is interrupted in the Underlying Assets or any of their components, publicly available information regarding the level, value or price of the Underlying Asset may be based on the last reported levels, values or prices.

As a result, publicly available information regarding reported levels, values or prices of the Underlying Assets or their components may at times be based on non-current information.

The Underlying Assets or their components may trade around-the-clock; however, if a secondary market develops, the Notes may trade only during regular trading hours in the United States.

If the market for the Underlying Assets or their components is a global, around-the-clock market, the hours of trading for the Notes may not conform to the hours during which the Underlying Assets or their components are traded. To the extent that U.S. markets are closed while international markets remain open, significant movements may take place in the levels, values or prices of the Underlying Assets or their components that will not be reflected immediately in the price of the Notes. There may not be any systematic reporting of last-sale or similar information for the Underlying Assets or their components. The absence of last-sale or similar information and the limited availability of quotations would make it difficult for many investors to obtain timely, accurate data about the state of the market for the Underlying Assets or their components.

The Calculation Agent may postpone the determination of the amount you receive during the term of the Notes or at maturity if a Market Disruption Event occurs.

In some cases, the Notes may be linked to a Underlying Asset where a Valuation Date, Observation Date or Averaging Date, as applicable, (collectively referred to herein as a "Valuation Date", and which is described in "Certain Features of the Notes—Valuation Dates, Observation Dates or Averaging Dates" below) may be postponed if the Calculation Agent determines that a Market Disruption Event (described in "Underlying Assets" below) has occurred or is continuing on that Valuation Date. If that type of postponement occurs, the Calculation Agent will determine the Closing Level, value, price or other amount with respect to that Valuation Date on the first succeeding Business Day on which no Market Disruption Event occurs or is continuing, *provided* that the Valuation Date will not be postponed by more than five Business Days. You will not be entitled to compensation from us or the Calculation Agent for any loss suffered as a result of the occurrence of a Market Disruption Event, any resulting delay in payment or any change in the level, value or price of the Underlying Asset after the originally scheduled Valuation Date.

The material U.S. federal income tax consequences of an investment in some types of Notes are uncertain.

There is no direct legal authority as to the proper tax treatment of some types of Notes, and therefore significant aspects of the tax treatment of some types of Notes are uncertain, as to both the timing and character of any inclusion in income in respect of your Note. The applicable Supplement will provide further information as to the tax treatment of your Notes. We urge you to consult your tax advisor as to the tax consequences of your investment in a Note. For a more complete discussion of the U.S. federal income tax consequences of your investment in a Note, please see the discussion under "Certain U.S. Federal Income Tax Considerations".

The Calculation Agent could be one of our affiliates, which could result in a conflict of interest.

The Calculation Agent will make determinations and judgments in connection with valuing the Underlying Asset and calculating adjustments to the Underlying Asset, dates, prices, or any other affected variable when the Underlying Asset is changed or modified as well as determining whether a Market Disruption Event has occurred. You should refer to "Description of Medium—Term Notes—Calculations and Calculation Agent". Because the Calculation Agent could be our affiliate, conflicts of interest may arise in connection with the Calculation Agent performing its role as Calculation Agent.

Trading and other transactions by us or our affiliates could affect the level, value or price of Underlying Assets and their components, the market value of the Notes or the amount of coupon, principal or other amounts payable on your Notes.

In connection with our normal business practices or in connection with hedging our obligations under the Notes, we and our affiliates may from time to time buy or sell the Underlying Assets and their components, or similar instruments, or derivative instruments relating to the Underlying Assets or their components. These trading activities may present a conflict of interest between your interest in the Notes and the interests we and our affiliates may have in our proprietary accounts, in facilitating transactions, including block trades, for our other customers and in accounts under our management. These trading activities also could affect the level, value or price of the Underlying Assets in a manner that would decrease the market value of the Notes prior to maturity or the amount you would receive at maturity. To the extent that we or any of our affiliates have a hedge position in the Underlying Assets or its components, or in a derivative or synthetic instrument related to the Underlying Assets or its components, we or any of our affiliates may increase or liquidate a portion of those holdings at any time before, during or after the term of the Notes. This activity may affect the amount payable at maturity or any calculation of the market value of the Notes in a manner that would be adverse to your investment in the Notes. Depending on, among other things, future market conditions, the aggregate amount and the composition of those hedge positions are likely to vary over time. In addition, we or any of our affiliates may purchase or otherwise acquire a long or short position in the Notes. We or any of our affiliates may hold or resell any such position in the Notes.

Research reports and other transactions may create conflicts of interest between you and us.

We or one or more of our affiliates may have published, and may in the future publish, research reports relating to the Underlying Assets or any of its components. The views expressed in this research may be modified from time to time without notice and may express opinions or provide recommendations that are inconsistent with purchasing or holding the Notes. Any of these activities may affect the level, value or price of the Underlying Assets or their components and, therefore, the market value of the Notes. Moreover, other professionals who deal in these markets may at any time have views that differ significantly from ours. In connection with your purchase of the Notes, you should investigate the Underlying Asset and not rely on our views with respect to future movements in the Underlying Assets and their components.

We or any of our affiliates also may issue, underwrite or assist unaffiliated entities in the issuance or underwriting of other securities or financial instruments with returns indexed to the Underlying Asset. By introducing competing products into the marketplace in this manner, we or our affiliates could adversely affect the market value of the Notes.

We and our affiliates, at present or in the future, may engage in business relating to the person or organization responsible for calculating, publishing or maintaining the Underlying Assets, which we refer to as the “Sponsor” of the Underlying Asset. In addition, we or our affiliates may engage in business relating to any components of the Underlying Assets, including making loans to, equity investments in, or providing investment banking, asset management or other advisory services to the respective Sponsor or issuer. In connection with these activities, we may receive information pertinent to the Underlying Assets or their components that we will not divulge to you.

We cannot control actions by the Sponsors or issuers of the Underlying Asset.

Actions by any Sponsor or issuer of the Underlying Asset may have an adverse effect on the price of the Underlying Asset and therefore on the market value of the Notes. No Sponsor or issuer will be involved with the administration, marketing or trading of the Notes and no Sponsor will have any obligations with respect to the amounts to be paid to you on any Coupon Payment Date or on the Maturity Date, or to consider your interests as an owner of Notes when it takes any actions that might affect the market value of the Notes. No Sponsor will receive any of the proceeds of any Note offering and no Sponsor or issuer will be responsible for, or have participated in, the determination of the timing of, prices for, or quantities of, the Notes to be issued.

Unless otherwise specified in the applicable Supplement, we will not be affiliated with any Sponsor or issuer of the Underlying Assets (except for the licensing arrangements, if any, discussed in the applicable Supplement), and we have no ability to control or predict their actions. These actions could include mergers or tender offers in the case of Underlying Assets consisting of securities or errors in information disclosed by a Sponsor of an index or an issuer of an equity security or any discontinuance by them of that disclosure. However, we may currently, or in the future, engage in business with the Sponsors or issuers. Neither we, nor any of our affiliates, including the agent, assumes any responsibility for the adequacy or accuracy of any publicly available information about the Sponsor or issuer of the Underlying Assets, whether the information is contained in any Supplement or otherwise. You should make your own investigation into the Underlying Assets and its Sponsors or issuers.

No research recommendation on your Notes.

Although BNP Paribas or one or more of our affiliates may publish research on, or assign a research recommendation to, other financial products linked to the performance of any of the Underlying Assets, neither BNP Paribas nor any of its subsidiaries or affiliates publishes research on, or assigns a research recommendation to, your Notes.

You have no recourse to the Sponsor or issuer of the Underlying Asset or any components of the Underlying Asset.

Your investment in the Notes will not give you any rights against any Sponsor or any issuer of the Underlying Assets or any components of the Underlying Assets, including any Sponsor that may determine or publish the level, value or price of the Underlying Assets and any issuer that may otherwise affect the level, value or price of the Underlying Assets.

Changes in methodology of the Sponsor of certain Underlying Assets or changes in laws or regulations, may affect the value of and payment of principal, coupon or other amounts payable on your Notes.

The Sponsors of Underlying Assets may have the ability from time to time to change any rule or bylaw or take emergency action under its rules, any of which could affect the level, value or price of the Underlying Asset or a component of the Underlying Asset. Any change of that kind which causes a change in the level, value or price could adversely affect the market value of the Notes.

In addition, levels, values or prices of the Underlying Asset could be adversely affected by the promulgation of new laws or regulations or by the reinterpretation of existing laws or regulations (including, without limitation, those relating to taxes and duties on any Underlying Asset) by one or more governments, governmental agencies or instrumentalities, courts or other official bodies. Any of these events could adversely affect the level, value or price of the Underlying Asset and, correspondingly, could adversely affect the market value of the Notes.

Any of the indices comprising the Underlying Assets may be discontinued; the manner in which the Underlying Assets are calculated may change in the future and the instruments comprising the components of the indices, or their respective weights, may change.

There can be no assurances that the Underlying Assets will continue or the method by which the Underlying Assets are calculated will remain unchanged. Changes in the method in which the Underlying Assets are calculated could reduce the level of the Underlying Asset and, as a consequence, adversely affect the amount of principal, coupon, or any other amounts payable on your Notes or the market value of your Notes. In addition, if the Underlying Asset is discontinued or altered, a substitute index may be employed to calculate the amount of principal, coupon or any other amounts payable on your Notes. This substitution may adversely affect the market value of the Notes.

Further, the Sponsor of Underlying Assets that are indices can add, delete or substitute the instruments comprising the components of the Underlying Asset or make other methodological changes that could adversely change the level of the Underlying Asset and, therefore, the market value of the Notes. You should realize that changes in the components of the Underlying Asset may affect the Underlying Asset, as a newly added instrument or instruments may perform significantly better or worse than the instrument or instruments it replaces. We have no control over the way the Underlying Assets are calculated by the Sponsor.

Any discontinuance or suspension of calculation or publication of the Closing Levels or prices of the Underlying Asset may adversely affect the market value of the Notes and the amount you will receive at maturity.

If the calculation or publication of the Closing Levels or prices of the Underlying Asset is discontinued or suspended, it may become difficult to determine the market value of the Notes or, if the discontinuance or suspension is continuing on a Valuation Date, the level or price for that respective date and the amount of coupon or other payment amounts determined on such date. If the discontinuance or suspension is continuing on the Final Valuation Date, Final Observation Date or Final Averaging Date (collectively referred to herein as the "Final

Valuation Date" and described under "Certain Features of the Notes—Final Valuation Date, Final Observation Date or Final Averaging Date" below), it may become difficult to determine the amount of coupon, payments at maturity or other amounts payable at maturity.

ADDITIONAL RISKS RELATING TO NOTES WITH UNDERLYING ASSETS THAT ARE EQUITY SECURITIES OR INTERESTS IN EXCHANGE-TRADED FUNDS, THAT CONTAIN EQUITY SECURITIES OR THAT ARE BASED IN PART ON EQUITY SECURITIES OR INTERESTS IN EXCHANGE-TRADED FUNDS

Equity market risks may affect the market value of the Notes and the amount you will receive at maturity.

If the Underlying Asset is an index that includes one or more equity securities, we expect that the Underlying Asset will fluctuate in accordance with changes in the financial condition of the relevant issuer(s) of its component stocks, the value of common stocks generally and other factors. The financial condition of the issuer(s) of the components of the Underlying Asset may become impaired or the general condition of the equity market may deteriorate, either of which may cause a decrease in the level of the Underlying Asset and thus in the market value of the Notes. Common stocks are susceptible to general equity market fluctuations and to volatile increases and decreases in value, as market confidence in and perceptions regarding the security or securities comprising an Underlying Asset change. Investor perceptions regarding the issuer of a security comprising an Underlying Asset are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction, and global or regional political, economic, and banking crises.

Antidilution protection is limited.

The Calculation Agent will make adjustments to the Initial Price or replace the Underlying Asset for certain Adjustment Events affecting the Underlying Asset, including stock splits and certain corporate actions, such as mergers. However, the Calculation Agent is not required to make such adjustments in response to all corporate actions, including if the Underlying Asset issuer or another party makes a partial tender or partial exchange offer for the Underlying Asset. If such a dilution event occurs and the Calculation Agent is not required to make an adjustment, the value of the Notes may be materially and adversely affected. See "Underlying Assets—Securities or Linked Shares—Share Adjustments Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset—Antidilution Adjustments" for further information.

You have no rights in the property, nor shareholder rights in any securities of any issuer, of the security or securities comprising the Underlying Asset.

Investing in the Notes will not make you a holder of the security or securities comprising the Underlying Asset. Neither you nor any other holder or owner of the Notes will have any voting rights, any right to receive dividends or other distributions or any other rights with respect to any property or securities of any issuer or issuers of the security or securities comprising the Underlying Asset.

Payments on the Notes will not reflect dividends on any of the securities underlying the Underlying Asset.

Payments at maturity do not reflect the payment of dividends on any of the equity securities underlying the Underlying Asset. Therefore, the yield derived from an investment in the Notes will not be the same as if you had purchased the equity securities underlying the Underlying Asset and held them for a similar period.

We obtained the information about the Sponsor or issuer of the Underlying Asset from public filings.

We have derived all information in the applicable Supplement about the Sponsor or issuer of the Underlying Asset 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 Sponsor or issuer of the Underlying Asset in connection with the offering of the Notes. We do not make any representation that any publicly available document or any other publicly available information about the Sponsor or issuer of the Underlying Asset is accurate or complete. Furthermore, we do not know whether all events occurring before the date of the applicable Supplement including events that would affect the accuracy or completeness of the publicly available documents referred to above or the level, value or price of the Underlying Asset, 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 Sponsor or issuer of Underlying Asset could affect the value you will receive during the term of the Notes or at maturity and, therefore, the market value of the Notes.

Any of the issuers of the securities comprising the Underlying Assets may perform an action that could adversely affect the market value of the Notes.

The Calculation Agent may adjust any date, price (including but not limited to the Initial Price, Final Price, Barrier Price and Strike Price), Barrier Percentage, Physical Delivery Amount, any combination thereof or any other variable for stock splits, mergers, tender offers, reverse stock splits, stock dividends, extraordinary dividends and other corporate events that affect capital structure of the issuer of the equity security comprising the Underlying Asset, as well as for certain actions taken by any depositary for the Underlying Asset (*e.g.,* American depositary shares) that affect the Underlying Asset in the situations and in the manner described in "Underlying Assets—Securities or Linked Shares—Share Adjustments Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset—Antidilution Adjustments". However, the Calculation Agent is not required to make an adjustment for every corporate event that may affect the Underlying Asset or any component of the Underlying Asset. Any of the above events or other actions by the issuer of the Underlying Asset or a third party may adversely affect the market value of the Underlying Asset and, therefore, adversely affect the market value of the Notes.

Underlying Assets or their components traded in an international market may be subject to additional risk.

The levels, values, prices and performance of Underlying Assets and their components traded in international markets may be affected by political, economic, financial and social factors in the relevant international market. In addition, recent or future changes in that country's government, economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions, and possible fluctuations in the rate of exchange between currencies, are factors that could adversely affect the international securities markets. Moreover, the relevant international economy may differ favorably or unfavorably from that of the United States.

Time differences between the domestic and international markets and New York City may create discrepancies in the market value of the Notes if the Underlying Assets or their components primarily trade on international markets.

In the event that the Underlying Assets or their components trade primarily on an international market, time differences between the domestic and international markets (*e.g.*, New York City is currently 5 and 13 hours behind London and Tokyo, respectively) may result in discrepancies between the level of the Underlying Assets (or the price of their components) and the market value of the Notes. To the extent that U.S. markets are closed while markets for the Underlying Assets or their components remain open, significant price or rate movements may take place in the Underlying Assets or their components that will not be reflected immediately in the market value of the Notes. In addition, there may be periods when the relevant international markets are closed for trading (*e.g.*, during holidays in an international country), causing the level of the Underlying Assets (or the price of their components) to remain unchanged for multiple trading days in New York City.

Your return may be affected by factors affecting international securities markets.

The Underlying Asset may include, as a component, securities issued by international companies and may be denominated in a foreign currency. Investors should be aware that investments in Underlying Assets linked to the value of international securities (or indices relating to those securities) might involve particular risks. The international securities comprising or relating to an Underlying Asset may have less liquidity and could be more volatile than many of the securities traded in U.S. or other longer-established securities markets. Direct or indirect government intervention to stabilize the relevant international securities markets, as well as cross shareholdings in international companies, may affect trading prices and volumes in those markets. Also, there is generally less publicly available information about international companies than about those U.S. companies that are subject to the reporting requirements of the SEC; and international companies often are subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies. The other special risks associated with international securities may include, but are not necessarily limited to: less liquidity and smaller market capitalizations; less rigorous regulation of securities markets; different accounting and disclosure standards; governmental interference; higher inflation; and social, economic and political uncertainties.

These factors may adversely affect the performance of the Underlying Assets or their components and, as a result, the market value of the Notes and the amount you will receive at maturity.

The issuer of a security that serves as an Underlying Asset could take actions that may adversely affect a Note.

The issuer of a security that serves as the Underlying Asset or a component of an index which is the Underlying Asset for a Note will have no involvement in the offer and sale of the Note and no obligation to you. The issuer may take action, such as a merger or sale of assets, without regard to the interests of the holder. Any of these actions could adversely affect the value of that security, the Underlying Asset or a component of the Underlying Asset and, correspondingly, could adversely affect the market value of the Note.

ADDITIONAL RISKS RELATING TO NOTES WITH UNDERLYING ASSETS THAT ARE COMMODITIES, AN INDEX CONTAINING COMMODITIES OR BASED IN PART ON COMMODITIES

Prices of commodities are highly volatile.

Commodities prices are highly volatile and are affected by numerous factors in addition to economic activity. These include political events, weather, labor activity, direct government intervention, such as embargos, and supply disruptions in major producing or consuming regions. Those events tend to affect prices worldwide, regardless of the location of the event. Market expectations about these events and speculative activity also cause prices to fluctuate. These factors may adversely affect the performance of the Underlying Assets or their components and, as a result, the market value of the Notes and the amount you will receive at maturity.

Furthermore, as a general matter, the risk of low liquidity or volatile pricing around the maturity date of a commodity futures contract is greater than in the case of other futures contracts because (among other factors) a number of market participants take physical delivery of the underlying commodities. Many commodities, like those in the energy and industrial metals sectors, have liquid futures contracts that expire every month. Therefore, these contracts are rolled forward every month. Contracts based on certain other commodities, most notably agricultural products, tend to have only a few contract months each year that trade with substantial liquidity. Thus, these commodities, with related futures contracts that expire infrequently, roll forward less frequently than every month, and can have further pronounced pricing volatility during extended periods of low liquidity. In respect of any futures contracts underlying the components of the Underlying Asset that may represent energy, it should be noted that due to the significant level of its continuous consumption, limited reserves, and oil cartel controls, energy commodities are subject to rapid price increases in the event of perceived or actual shortages.

The prices of certain commodities may be subject to price ceilings.

Certain exchanges have regulations that limit the amount of fluctuation in futures contract prices which may occur during a single Business Day. These limits are generally referred to as "daily price fluctuation limits", and the maximum or minimum price of a futures contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular futures contract, no trades may be made at a different price. Limit prices may have the effect of precluding trading in a particular contract or forcing the liquidation of futures contracts at disadvantageous times or prices. These circumstances could adversely affect the prices of the commodities comprising the Underlying Asset and, therefore, could adversely affect the value of the Notes.

Suspensions or disruptions of market trading in the commodity markets and related futures markets may adversely affect the amount of principal, coupon or any other amounts payable on your Notes and/or the market value of the Notes.

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including a lack of liquidity in the markets, the participation of speculators and potential government regulation and intervention. In addition, some futures exchanges have regulations that limit the amount of fluctuation in futures contract prices that may occur during a single Business Day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, no trades may be made at a different price. Limit prices may have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at disadvantageous times or prices which could have an adverse effect on the market value of the Notes. These factors may adversely affect the performance of the Underlying Assets or their components and, as a result, the market value of the Notes and the principal, coupon and other amounts payable on the Notes.

Risks relating to trading of the Underlying Assets and their components on international futures exchanges.

Certain international futures exchanges operate in a manner more closely analogous to the over-the-counter physical commodity markets than to the regulated futures markets, and certain features of U.S. futures markets are not present. For example, there may not be any daily price limits which would otherwise restrict the extent of daily fluctuations in the prices of the respective contracts. In a declining market, therefore, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days. This may adversely affect the performance of the Underlying Assets or their components and, as a result, the market value of the Notes and the principal, coupon or any other amounts payable on your Notes.

You may not have any rights to receive the Underlying Assets or their components.

Investing in the Notes will not make you a holder of any commodity or futures contract relating to the Underlying Assets or their components. The Notes will be paid in U.S. dollars or the specified currency stated in the applicable Supplement, and you will have no right to receive delivery of any commodity or futures contract relating to the Underlying Assets or their components.

Lack of regulation of the Notes linked to commodities, basket of commodities or index of commodities.

The net proceeds to be received by us from the sale of Notes relating to one or more commodities or basket (or an index thereon) will not be used to purchase or sell any commodity futures contracts or options on futures contracts for your benefit. An investment in the Notes thus does not constitute either an investment in futures contracts, options on futures contracts or in a collective investment vehicle that trades in these futures contracts (*i.e.*, the Notes will not constitute a direct or indirect investment by you in the futures contracts), and you will not benefit from the regulatory protections of the Commodity Futures Trading Commission (the "CTFC"). We are not registered with the CFTC as a futures commission merchant and you will not benefit from the CFTC's or any other non-U.S. regulatory authority's regulatory protections afforded to persons who trade in futures contracts on a regulated futures exchange through a registered futures commission merchant. Unlike an investment in the Notes, an investment in a collective investment vehicle that invests in futures contracts on behalf of its participants may be subject to regulation as a commodity pool and its operator may be required to be registered with and regulated by the CFTC as a commodity pool operator, or qualify for an exemption from the registration requirement. Because the Notes will not be interests in a commodity pool, the Notes will not be regulated by the CFTC as a commodity pool, we will not be registered with the CFTC as a commodity pool operator, and you will not benefit from the CFTC's or any non-U.S. regulatory authority's regulatory protections afforded to persons who invest in regulated commodity pools.

Commodity futures contracts are subject to legal and regulatory regimes that may change in ways that could affect our ability to hedge and could lead to the early acceleration of the Notes.

The commodity futures contracts that may underlie the components of the Underlying Asset are subject to legal and regulatory regimes in the U.S. and, in some cases, in other countries that may change in ways that could negatively affect the value of the Underlying Asset and the Notes. For example, the U.S. House of Representatives and the U.S. Senate have considered legislation intended to decrease speculation and increase transparency in the commodities markets. If enacted, such legislation may, among other things, require the CFTC to adopt rules that would subject us to position limits on positions in commodity futures contracts. Changes to the legal or regulatory regimes applicable to the commodity futures contracts that may underlie the components of the Underlying Asset could result in a modification of any rules of the Underlying Asset, which may, in turn, have a negative effect on the level of the Underlying Asset.

In addition, upon the occurrence of legal or regulatory changes that the Calculation Agent determines have interfered with the market's ability to hedge, the Issuer may, in its sole and absolute discretion, accelerate the payment on your Notes early and pay you an amount determined in good faith and in a commercially reasonable manner by the Calculation Agent. If the payment on your Notes is accelerated, your investment may result in a loss and you may not be able to reinvest your money in a comparable investment.

The level of Underlying Assets or the levels, values or prices of their components can fluctuate widely due to supply and demand disruptions in major producing or consuming regions.

The level of Underlying Assets or the prices of their components can fluctuate widely due to supply and demand disruptions in major producing or consuming regions. In particular, recent growth in industrial production and gross domestic product has made many developing countries, particularly China, disproportionately large users of commodities and has increased the extent to which the Underlying Assets rely on the markets of these developing countries. Political, economic and other developments that affect these developing countries may affect the level of the Underlying Assets or the price of their components and, thus, the market value of the Notes. Because the Underlying Assets may be produced in a limited number of countries and may be controlled by a small number of producers, political, economic and supply-related events in those countries could have a disproportionate impact on the level of those Underlying Assets or the price of their components.

Potential over-concentration in particular commodity sectors.

The commodities underlying the futures contracts which may be included in any components of the Underlying Asset may be concentrated in a specific commodity sector. An investment in the Notes might increase your exposure to fluctuations in any of the commodity sectors associated with the Underlying Asset.

Furthermore, the Underlying Asset's methodology may impose limitations on the exposure to any of the sectors underlying the futures contracts included in any of the components of the Underlying Asset. There can be no assurance that such limitations, if any, will reduce volatility or enhance the performance of the Underlying Asset, or that the Underlying Asset would not have performed better without such limitations. In addition, it is likely that the weighting, if any, of commodity sectors comprising the Underlying Asset will shift periodically, so exposure to any sector cannot be predicated and a fixed exposure to a particular sector is unlikely.

Prices for physical commodities upon which the futures contracts that may compose the components of the Underlying Asset are based may change unpredictably and could affect the value of the Notes in unanticipated ways.

A decrease in the price of any of the commodities upon which the futures contracts that may compose the components of the Underlying Asset may be based may have a material adverse effect on the value of the Notes and your return on an investment in the Notes. The prices of such commodities are affected by numerous factors, including: changes in supply and demand relationships, governmental programs and policies, national and international political and economic events, changes in interest and exchange rates, speculation and trading activities in commodities and related contracts, general weather conditions, and trade, fiscal, monetary and exchange control policies. Many commodities are also highly cyclical. These factors may cause the value of the different commodities upon which the futures contracts that may compose the components of the Underlying Asset may be based, as well as the futures contracts themselves, to move in inconsistent directions at inconsistent rates. This, in turn, could affect the value of the Notes, and it is not possible to predict the aggregate effect of all or any combination of these factors.

Higher future prices of commodities that may be included in the components of the Underlying Asset relative to their current prices may lead to a decrease in the payment at maturity of the Notes.

The components of the Underlying Asset may be composed of futures contracts on physical commodities. As the contracts that underlie these components come to expiration, they are replaced by contracts that have a later expiration. For example, a contract purchased and held in August may specify an October expiration. As time passes, the contract expiring in October is replaced by a contract for delivery in November. This is accomplished by selling the October contract and purchasing the November contract. This process is referred to as "rolling". Excluding other considerations, if the market for these contracts is in "backwardation", where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the October contract would take place at a price that is higher than the price of the November contract, thereby creating a "roll yield". While the contracts that may be included in each such component of the Underlying Asset could have historically exhibited consistent periods of backwardation, backwardation will most likely not exist at all times. Moreover, some of the commodities reflected in the components of the Underlying Asset could have historically exhibited "contango" markets rather than backwardation. Contango markets are those in which prices are higher in more distant delivery months than in nearer delivery months. Commodities may also fluctuate between backwardation and contango markets. The presence of contango in the commodity markets could result in negative roll yields, which could adversely affect the value of any components of the Underlying Asset and, accordingly, the amount payable on the Notes.

ADDITIONAL RISKS RELATING TO NOTES WITH UNDERLYING ASSETS THAT ARE CURRENCIES, AN INDEX CONTAINING CURRENCIES OR BASED IN PART ON CURRENCIES

Notes relating to currencies may be subject to foreign exchange risk.

The price relationship between two different currencies (*e.g.*, the U.S. dollar and the Indian rupee) may be highly volatile and varies based on a number of interrelated factors, including the supply and demand for each currency, political, economic, legal, financial, accounting and tax matters and other actions that we cannot control. Relevant factors include, among other things, the possibility that exchange controls could be imposed or modified, the possible imposition of other regulatory controls or taxes, the overall growth and performance of the local economies, the trade and current account balance between the relevant countries, market interventions by the central banks, inflation, interest rate levels, the performance of the global stock markets, the stability of the relevant governments and banking systems, wars, major natural disasters and other foreseeable and unforeseeable events. In addition, the value of a currency may be affected by the operation of, and the identity of persons and entities trading on, interbank and interdealer foreign exchange markets. These factors may adversely affect the performance of the Underlying Assets or their components and, as a result, the market value of the Notes and the amount you will receive at maturity.

You may not have any rights to receive the Underlying Assets or their components.

Investing in the Notes will not make you a holder of any currency or futures contract relating to the Underlying Assets or their components. The Notes will be paid in U.S. dollars or the specified currency stated in the applicable Supplement, and you will have no right to receive delivery of any currency or futures contract relating to the Underlying Assets or their components.

The liquidity, market value, the amount of principal, coupon or any other amounts payable on your Notes could be affected by the actions of the relevant sovereign governments.

Currency exchange rates of most economically developed nations are "floating", meaning the rate is permitted to fluctuate in value. However, governments, from time to time, may not allow their currencies to float freely in response to economic forces. Moreover, governments, including those of the United States, use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the currency exchange rates of their respective currencies. Governments also may issue a new currency to replace an existing currency or alter the currency exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing Notes relating to one or more foreign currencies is that their liquidity, their value and the amount of principal, coupon or other amounts payable on your Notes could be affected by the actions of sovereign governments which could change or interfere with currency valuation and the movement of currencies across borders. There will be no adjustment or change in the terms of those Notes in the event that currency exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of the issuance of a replacement currency or in the event of any other development affecting the relevant currencies.

However, the government that issues that currency will also have no involvement in the offer and sale of the Note and no obligations to you.

ADDITIONAL RISKS RELATING TO NOTES WITH AN UNDERLYING ASSET THAT ARE A FLOATING INTEREST RATE, AN INDEX CONTAINING FLOATING INTEREST RATES OR BASED IN PART ON A FLOATING INTEREST RATE

You may receive a lesser amount of interest in the future.

Because the Underlying Asset will be comprised of or based in part on a floating interest rate, there will be significant risks not associated with a conventional fixed-rate debt security. These risks include fluctuation of the applicable interest rate and the possibility that, in the future, you will receive a lesser coupon amount or no coupon at all. We have no control over a number of matters that may affect interest rates, including economic, financial and political events that are important in determining the existence, magnitude and longevity of these risks and their results. In recent years, interest rates have been volatile, and volatility also could be characteristic of the future.

The coupon rate may be below the rate otherwise payable on similar Notes with a floating coupon rate issued by us or another issuer with the same credit rating.

Because the Underlying Asset will be comprised of or based in part on a floating coupon rate, you may receive a coupon rate that is less than the coupon rate on debt securities with the same maturity issued by us or an issuer with the same credit rating.

The Notes may be subject to a maximum coupon rate which will limit your return.

If the Underlying Asset is comprised of or based in part on a floating coupon rate, the Notes may be subject to a maximum coupon rate. The coupon rate that will accrue will never exceed the maximum rate permitted by New York law, as modified by federal law.

If the Notes contain a Coupon Conversion Right, our exercise of that right will depend on market interest rates.

Whether or not we exercise a Coupon Conversion Right (described in “Certain Features of the Notes” below) will depend on movements in market interest rates compared to the applicable Underlying Asset. We will exercise the Coupon Conversion Right and elect to cease accreting and compounding interest in favor of paying interest to you on a period basis without compounding, at our sole discretion. If we exercise our Coupon Conversion Right, you may not be able to reinvest any coupon we pay you at a rate equal to the applicable Underlying Asset.

The coupon rate on the Notes could be zero.

We have no control over the fluctuations in the levels of the Underlying Assets. If the Coupon Payments depend on a formula that uses the Underlying Asset as a variable, certain values of the Underlying Asset may result in a calculation that equals zero. In that case, no interest may accrue for the related Interest Payment Period.

ADDITIONAL RISKS RELATING TO NOTES WHICH PAY NO COUPON

Your yield may be lower than the yield on a standard debt security of comparable maturity.

You will not generally receive periodic payments of coupon on the Notes as there would be on a conventional fixed-rate or floating-rate debt security having the same Maturity Date and issuance date as the Notes. The effective yield to maturity of the Notes may therefore be less than that which would be payable on that type of conventional debt security. Therefore, the return of each Note at maturity may not compensate you for any opportunity cost implied by inflation and other factors relating to the time value of money.

ADDITIONAL RISKS RELATING TO NOTES WITH UNDERLYING ASSETS THAT ARE HEDGE FUND OR FUND OF FUNDS INTERESTS, INDICES OF HEDGE FUNDS OR FUND OF FUNDS, OR BASED IN PART ON HEDGE FUNDS OR FUND OF FUNDS INTEREST, INDICES OF HEDGE FUNDS OR FUND OF FUNDS

You should investigate the Underlying Asset as if investing directly.

You should conduct your own diligence of the Underlying Asset as you would if you were directly investing in the Underlying Asset. You will only have access to the information on the Underlying Asset made available, including information on such Underlying Assets' assets, investment strategies or track records. There is no assurance that the Underlying Asset will release information on a timely basis or at all. We make no representation or warranty with respect to the accuracy, validity or completeness of any information provided by any Underlying Asset. Furthermore, we cannot give any assurance that all events occurring prior to the Issue Date (including events that would affect the accuracy or completeness of any information provided by any Underlying Asset) have been properly disclosed. Subsequent disclosure of any such events or the disclosure or failure to disclose material future events concerning the Underlying Asset could adversely affect the value of any amount payable at maturity.

The Issuer or one or more of its affiliates may from time to time have access to information about the composition of the Underlying Asset. In addition, the Issuer or one or more of its affiliates may from time to time engage in business with the Underlying Asset. In the course of such business, the Issuer or one or more of its affiliates may acquire information with respect to the Underlying Asset that is generally not available to holders of the Notes. Neither the Issuer nor any of its affiliates has any obligation to disclose any such information to the holders of the Notes. You should not conclude that the sale by the Issuer of the Notes is any form of investment recommendation by the Issuer, BNPP Securities or any of its affiliates to invest in the Underlying Assets.

Risk relating to hedge funds.

The Notes are subject to some of the risks of an investment in a portfolio of hedge funds. The following is a list of some of the significant risks associated with hedge funds. Each of these risks impact the value of the Underlying Asset and will, in turn, have a corresponding impact on the value of the Notes. Because the Underlying Assets are not required to be registered under the Investment Company Act, investors are not afforded the same protections as investors in funds that are registered under the Investment Company Act. Thus, protections relating to, among other matters, changes to an investment company's investment advisor, reporting requirements, changes in the investment policies of an investment company, and limits on the fees payable to an investment company's service providers, may not be available, and even if available, may not be applicable to the holders of Notes. As a result, the Underlying Assets (and thus the performance of the Notes) may be adversely affected by the following factors:

- The unregulated nature of investments made by the investment managers and/or advisors of the Underlying Assets, such as the employment of different types of trading strategies (i.e., leverage) and the investment in certain types of securities that are typically prohibited for funds registered under the Investment Company Act. In particular, investors should be aware that the Underlying Assets may borrow up to an amount more than 100% of their assets on a consistent basis to increase its leverage;

- The investment managers and/or advisors of the Underlying Assets may invest in and trade in a variety of financial instruments using sophisticated investment techniques for hedging and non-hedging purposes. Such financial instruments and investment techniques may include but are not limited to the use of leverage (i.e., borrowing money for investment purposes), short sales of securities, transactions that use derivatives such as swaps, stock options, index options, futures contracts and options on futures, transactions that involve the lending of securities to certain financial institutions, the entry into repurchase and reverse repurchase agreements for securities and the investment in foreign securities and foreign currencies. While these investment strategies and financial instruments allow the investment managers and/or advisors of the Underlying Assets the flexibility to implement a range of strategies in an attempt to generate positive returns for the Underlying Assets, they also create the risk of significant losses that may adversely affect the value of the Underlying Assets and thus the return on the Notes;

- Because the remuneration of the investment managers and/or advisors of the Underlying Assets may be directly influenced by the performance of the Underlying Assets, each may have an incentive to make more risky investments that may result in greater profits. Such risky investments also allow the opportunity for significant losses which may adversely affect the return on the Notes. In addition, investors should be aware that the investment managers and/or advisors of the Underlying Assets may receive management, advisory or performance fees even though such Underlying Assets have not realized any gains;

- Generally, funds not registered under the Investment Company Act provide less transparency than registered funds. For example, investors in unregistered hedge funds may not easily be able to ascertain all the risk characteristics of the hedge fund or investment strategies employed by the hedge fund managers of unregistered funds, as a result, investors in unregistered hedge funds may have to solely rely on the portfolio position disclosure to evaluate the investments and risks of the related hedge fund;

- The investment managers and/or advisors of the Underlying Assets may not be registered under the Investment Advisers Act of 1940, as amended;

- Hedge funds may invest in securities listed or traded on foreign exchanges. The execution of transactions on foreign exchanges might involve particular risks including but not limited to higher volatility, government intervention, lack of transparency, lack of regulation, currency risk, political risk and economic social instability;

- The lack of oversight and regulation associated with hedge funds may increase the likelihood of fraud and negligence by the investment managers and/or advisors of the Underlying Assets, their brokerage firms or banks;

- The use of the above investment strategies, investment in the above securities and other instruments and the general characteristics of hedge funds may cause hedge funds to be volatile;

- Substantial redemptions on the Underlying Assets on a particular day could require the Underlying Assets to liquidate positions more rapidly than would be otherwise desirable;

- Hedge funds may involve complex tax structures and delays in distributing important tax information;

- Hedge funds may have high fees and expenses that may offset the hedge fund's trading profits; and

- Legal, tax and regulatory changes could occur during the term of the Notes that may adversely affect the Underlying Assets. The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Underlying Assets. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The Securities and Exchange Commission, other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Underlying Assets could be substantial and adverse and consequently adversely affect the value of the Notes.

Limited disclosure on the Underlying Asset.

The disclosure contained in, or attached to, the Supplement regarding the Underlying Asset is limited and taken from information provided by third-party sources. The Underlying Asset is not registered under the U.S. Federal Securities laws, and therefore, is not subject to the rules and regulations thereunder regarding, among other things, disclosure. The Issuer, BNPP Securities or any of their affiliates makes any representation that such information regarding the Underlying Asset is accurate or complete, and the Issuer, the Guarantor, BNPP Securities and their affiliates are not responsible for any disclosure of information about the Underlying Asset. We urge you to undertake an independent investigation of the Underlying Asset as in your judgment is appropriate to make an informed decision with respect to an investment in the Notes. None of the Issuer, the Guarantor or any of their affiliates undertakes any obligation to provide any information on the Underlying Asset. You should conduct the due diligence you believe is necessary to make a direct investment into the Underlying Asset.

Risks relating to and reliance on investment managers and/or advisors of the Underlying Asset.

Investment in the Notes is speculative and entails substantial risks. The amount payable during the term of the Notes, if any, and at maturity may be based on changes in the value of the Underlying Assets, which fluctuate. Changes in the value of the Underlying Assets cannot be predicted. Moreover, any persons relying on the performance of the Underlying Assets should note that such performance will depend to a considerable extent on the performance of the investment managers and/or advisors of the Underlying Assets. The Issuer and its affiliates are not in a position to protect you against negligence, fraud, misconduct or misrepresentation by the investment managers and/or advisors of the Underlying Assets. You should understand that you could be materially adversely affected by any such acts. For example, any such acts may lead to an early termination event. An early termination event will cause the termination of the Notes and thus you will lose the opportunity to participate further in the performance of the Underlying Asset. You do not have and are not entitled to any beneficial interests in the Underlying Assets and as such, have no recourse against the Underlying Assets or the investment managers and/or advisors of the Underlying Assets either contractually or statutorily for any loss of return on your Notes. Furthermore, as a practical matter, it may be difficult to bring an action, or to seek to enforce a judgment obtained in an action, against any of the aforementioned entities. In addition, the investment managers and/or advisors of the Underlying Assets may be removed or replaced, the allocation of assets may vary from time to time and the various positions of the Underlying Assets may be economically offsetting, all of which may affect the performance of the Underlying Asset.

The investment managers and/or advisors of the Underlying Assets may manage or advise other funds and/or accounts and may have financial and other incentives to favor such other funds and/or accounts over the Underlying Assets. Also, the investment managers and/or advisors of the Underlying Assets may manage or advise for their own accounts and the accounts of their clients and may make recommendations or take positions similar or dissimilar to those of the Underlying Assets or which may compete with the Underlying Assets.

Future performance of the Underlying Assets cannot be predicted based on historical performance.

You are cautioned that any historical levels of the Underlying Assets provided by such Underlying Assets are not indicative of and have no bearing on future performance of the Underlying Assets. The Underlying Assets may outperform or under-perform the historical levels. No assurance can be given that the values for the Underlying Asset will increase.

No ownership rights in the Underlying Assets.

An investment in the Notes does not entitle you to any ownership interest or rights in the Underlying Assets, such as voting rights.

If an Underlying Asset makes in-kind distributions to its limited partners or shareholders, the Calculation Agent will have the discretion to determine the value of such distributions for purposes of calculating the value of such Underlying Asset and, in turn, the amount payable at maturity of your Notes.

According to the constituent documents, prospectus, offering memorandum, information memorandum and related offering documents of certain of the Underlying Assets in the Underlying Asset, such Underlying Assets may make distributions in-kind to its limited partners or shareholders. Typically, such Underlying Asset may be expected to assign a certain value to any in-kind distribution. However, for purposes of determining the value of the Underlying Asset and the Cash Settlement Amount, if any, you may be entitled to receive with respect to your Notes, the Calculation Agent will not be bound by any such valuation made by or on behalf of such Underlying Asset. Instead, the Calculation Agent will determine for such purpose the value of any in-kind distribution in a commercially reasonable manner. For example, the Calculation Agent may take into consideration the amount of proceeds a seller of property of the type comprising such in-kind distribution would receive upon liquidation thereof. Therefore, the Cash Settlement Amount, the value of the Underlying Asset and the value of your Notes may be affected by the liquidation value of such in-kind distributions as determined by the Calculation Agent.

Your investment will be "new issues" restricted.

On December 23, 2003, the Financial Industry Regulatory Authority ("FINRA") adopted Rule 2790 which prohibits certain persons from receiving the economic benefit of new issues. Each of the Issuer and any affiliate that may be entering into transactions to hedge the Issuer's exposure under the Notes is a Restricted Person under Rule 2790 and, accordingly, any investment by any of them in the interests of any Underlying Asset will be treated as though it had been made by a Restricted Person. A "Restricted Person" includes most associated persons of a U.S. broker dealer, most owners and affiliates of a broker dealer and certain other classes of persons. Such interests would consequently be restricted from participating in gains or losses attributable to "new issues" investments by any of the Underlying Assets in the Underlying Asset to the extent deemed necessary or advisable by any of the funds to comply with Rule 2790. As such, the returns to the investor on any interests of the Underlying Assets in the Underlying Asset may not be the same as the returns available to investors in an Underlying Asset comprised of funds similar to the Underlying Assets without a "new issues" restriction.

Lack of affiliation among the Issuer and the Underlying Assets.

The Issuer is not affiliated with any of the Underlying Assets; however, the Issuer and its affiliates may be party to various financial contracts with (including synthetic prime brokerage or leveraged basket options), or provide services to, one or more Underlying Assets. The Issuer has no ability to control or predict the actions of any of the Underlying Assets. This Product Supplement does not and is not intended to provide information with respect to any Underlying Asset. No investigation has been made of the financial condition or creditworthiness of any Underlying Asset in connection with the issuance of the Notes.

Illiquidity of secondary market.

The Notes are most suitable for purchase and holding until the Maturity Date. The Notes will be new securities for which currently there is no trading market. The Issuer does not intend to apply for listing of the Notes on any securities exchange or for trading in The PORTAL Market. The Issuer cannot assure you whether there will be a secondary market in the Notes or, if there were to be such a secondary market, that it would be liquid. In addition, the Issuer may issue more Notes than it is able to sell initially. These additional Notes may be issued to an affiliate and may be held indefinitely, or subsequently sold to investors or surrendered for cancellation.

BNPP Securities reserves the right from time to time for it or one of its affiliates to enter into agreements with one or more holders of Notes to provide a market for the Notes but is not obligated to do so or to make any market for the Notes. To the extent that BNPP Securities or one of its affiliates makes a market for the Notes, BNPP Securities or one of its affiliates will, in its sole discretion, determine the fair market price of the Notes being repurchased based on a variety of factors, including, but not limited to, the performance of the Underlying Asset, the prevailing interest rates and the time remaining until the Maturity Date. See "Risk Factors — Factors Affecting the Trading Value of the Notes".

Holders requesting a market making transaction must give written notice to BNPP Securities at least 100 days prior to that Business Day and deliver their Notes. There may be a considerable delay prior to receiving any market making proceeds, as the expected settlement date of these market making transactions will be five Business Days following earlier of (i) the date on which a holder would have received fully all redemption proceeds of each Underlying Asset, and (ii) a date as described in the Supplement. In addition, you will not be entitled to receive any proceeds from such market making transaction that would have been received by a holder after the second-anniversary of the market making transaction.

Investments in the Underlying Asset are notional.

A Note represents a notional investment in the Underlying Assets. The term "notional" is used because there is no actual pool of interests in the Underlying Assets. The Underlying Assets are merely a reference used to calculate the value of the Notes. There are no actual investments in the Underlying Assets underlying the Notes or to which you would have recourse. The Issuer, or an affiliate, may, in order to hedge its obligations under the Notes, among other things, purchase interests in the Underlying Assets or purchase other instruments linked to the Underlying Assets, but it is under no obligation to do so. Such interests, if any, are the separate property of the Issuer and do not secure or otherwise underlie the Notes. For example, in the event of a failure to pay the amount payable at maturity by the Issuer under the Notes, you will have no beneficial interest in or claim to any such interests. Accordingly, any claims by you pursuant to the terms and conditions of such Notes will be pari passu with all other unsecured, unsubordinated, unconditional creditors of the Issuer.

Transfer restrictions may impair liquidity.

The Notes are subject to transfer restrictions. See “Notice to Investors” in the Base Prospectus. Consequently, the liquidity of the Notes may be significantly impaired.

Impact of offering expenses and hedging costs on secondary market values.

The Original Issue Price of the Notes includes offering expenses and costs relating to hedging activities conducted by the Issuer or one or more of its affiliates. As such, assuming market conditions and all other relevant factors listed under “— Factors Affecting the Trading Value of the Notes” below remain constant, the price, if any, at which you can sell the Notes in secondary market transactions will likely be lower than the Original Issue Price, since the Original Issue Price included, and secondary market prices are likely to exclude, offering expenses and the cost of hedging activities conducted by the Issuer or one or more of its affiliates. Such hedging activities entail risks and may be influenced by market forces beyond the control of the Issuer or its affiliates and may result in hedging costs that are more or less than initially projected. The additional market making fee, if any, charged by BNPP Securities or its affiliates to purchase Notes in secondary market transactions may account for some, but likely not all, of the offering expenses and the cost of hedging activities.

Factors affecting the trading value of the Notes.

We believe that the value of the Notes in the secondary market will be affected by a number of interrelated factors, including the Underlying Asset Values for each Underlying Asset, interest rates and the volatility of the Underlying Assets. Because these factors may be interrelated, one factor may offset or magnify the effect of another factor. The price at which you may be able to sell the Notes prior to the Maturity Date may be at a discount from the Issue Price for a number of reasons, including the underperformance of the Underlying Assets. The following paragraphs describe what we expect to be the impact on the market value of the Notes of a change in a specific factor, assuming all other factors remain constant.

Underlying Asset Values. The trading value of the Notes will likely depend substantially on the current Underlying Asset Values. If you choose to sell your Notes when the value of the Underlying Asset Values are relatively low, you may receive less than the Issue Price of your Notes. Political, economic and other developments that affect the investments underlying the Underlying Assets may also affect the Underlying Asset Values and, thus, the value of the Notes.

Interest rates. We expect that the trading value of the Notes will likely be affected by changes in interest rates. An increase or decrease in interest rates may impact the value of the Notes in unpredictable ways. As a result, you should understand that fluctuations in interest rates may adversely or favorably affect the trading value of the Notes. Interest rates may also affect the global economy and, in turn, the levels of the Underlying Assets, which may affect the value of the Notes.

Volatility of the Underlying Assets. Volatility is the term used to describe the size and frequency of market fluctuations. If the volatility of the Underlying Assets changes, the trading value of the Notes may be adversely or favorably affected.

Time remaining until the Final Valuation Date. The Notes may trade at a value above that which would be expected based on the level of interest rates and the Underlying Asset Values. Any such difference may reflect a “time premium” resulting from expectations concerning the Underlying Asset Values during the period prior to the Final Valuation Date. However, as the time remaining to the Final Valuation Date of the Notes decreases, this time premium may decrease, adversely affecting the trading value of the Notes.

Creditworthiness. Any change in the creditworthiness of the Issuer could affect the value of the Notes. The Notes have not been rated by any credit rating agency.

As noted above, the impact of one of the factors specified above, such as an increase in interest rates, may offset some or all of any change in the trading value of the Notes attributable to another factor, such as fluctuations in the Underlying Asset Values.

In general, assuming all relevant factors are held constant, we expect that the effect on the trading value of the Notes of a given change in most of the factors listed above will be less if it occurs later in the term of the Notes than if it occurs earlier in the term of the Notes.

ADDITIONAL RISKS RELATING TO NOTES WITH UNDERLYING ASSETS THAT ARE BNP PARIBAS PROPRIETARY INDICES OR THAT ARE BASED IN PART ON BNP PARIBAS PROPRIETARY INDICES

No ownership of or recourse to the components comprising the Underlying Asset.

The Notes will not reflect the return an investor would realize if the investor actually owned the components comprising the Underlying Asset. Accordingly, changes in the market value of the components may not result in a comparable change in the market value of the Underlying Asset. Investors will not have, and the Notes will not represent, any direct or indirect ownership interest or rights in the Components comprising the Underlying Asset.

No rights against the publishers or sponsors of the components comprising the Underlying Asset.

Even though the amount investors receive at maturity, if any, will be influenced by the values of the components comprising the Underlying Asset, investors will have no rights against any of the publishers or sponsors of such components. An investment in the Notes does not entitle investors to any ownership interests or rights in the components comprising the Underlying Asset. The publishers or sponsors of the components comprising the Underlying Asset are not involved in the offering of the Notes in any way and have no obligation relating to this offering, the Notes or to investors of the Notes.

The sponsors of the components comprising the Underlying Asset may adjust such components in a way that affects its level, and such sponsor has no obligation to consider your Interests.

The sponsor of a component comprising the Underlying Asset is responsible for calculating and maintaining such component. Such sponsor can add, delete or substitute the securities underlying such component comprising the Underlying Asset or make other methodological changes that could change the level of such component. You should realize that the changing of securities included in such component comprising the Underlying Asset may affect such component, as a newly added security may perform significantly better or worse than the security or securities it replaces. Additionally, such sponsor may alter, discontinue or suspend calculation or dissemination of such component. Any of these actions could adversely affect the value of the Notes. The sponsor of a component comprising the Underlying Asset has no obligation to consider your interests in calculating or revising such component.

The index calculation agent may adjust the components of the index in ways that affect its level, and it has no obligation to consider your interests.

One of our affiliates may act as the index calculation agent and is responsible for calculating and maintaining the index as well as developing guidelines and policies governing its composition and calculation. It is entitled to exercise limited discretion in relation to the index, including but not limited to the calculation of the level of the index or when an extraordinary event occurs. Although the index calculation agent will make all determinations and take all actions in relation to the index acting in good faith, it should be noted that the policies and judgments for which it is responsible could have an impact, positive or negative, on the level of the index and the value of your Notes.

Publicly available information on the Underlying Asset is limited.

The Underlying Asset is a proprietary index developed by the index sponsor. Other than certain information relating to the index methodology provided by the index sponsor on its website and the closing levels published by Bloomberg L.P., there is no information on the Underlying Asset that is publicly available. Although the closing levels of the Underlying Asset are reported in Bloomberg L.P., neither BNP Paribas nor its affiliates nor Bloomberg L.P. will publish any information including the composition, method of calculation or rebalancing of the Underlying Asset. Any such information will only be available through the index sponsor. All disclosures contained in the relevant Supplement regarding the Underlying Asset have been provided by the index sponsor for informational purposes only. Any prospective purchaser of the Notes should discuss the Underlying Asset with its financial advisor and make any due diligence inquiry or undertake any independent investigation with respect to the Underlying Asset and the index components as in its judgment is appropriate to make an informed decision with respect to an investment in the Underlying Asset.

The strategy underlying the Underlying Asset may not be successful.

There is no assurance that the strategy underlying the methodology of the Underlying Asset will be successful during the term of the Notes, particularly during periods in which sudden shifts in market trends occur. Furthermore, no assurance can be given that the index methodology will achieve its goals or that the Underlying Asset will outperform any alternative strategy that might be constructed.

The investment strategy used to construct the Underlying Asset may involve rebalancing and weighting limitations that are applied to the components comprising the Underlying Asset.

The components comprising the Underlying Asset may be subject to rebalancing and maximum weighting limits. By contrast, a synthetic portfolio that does not rebalance and is not subject to any weighting limits could see greater compounded gains over time through exposure to a consistently and rapidly appreciating portfolio consisting of the components comprising the Underlying Asset.

The components comprising the Underlying Asset may not be equally weighted.

The components comprising the Underlying Asset may have a different weight in determining the value of the Underlying Asset. One consequence of such an unequal weighting of the components comprising the Underlying Asset is that the same percentage change in two of the components may have different effects on the level of the Underlying Asset.

Changes in the value of the components comprising the Underlying Asset may offset each other.

Because the Notes are linked to the Underlying Asset, which is linked to the performance of the components comprising the Underlying Asset, price movements between the components comprising the Underlying Asset representing different asset classes or geographic regions may not correlate with each other. At a time when the value of a component comprising the Underlying Asset representing a particular asset class or geographic region increases, the value of other components representing a different asset class or geographic region may not increase as much or may decline. Therefore, in calculating the level of the Underlying Asset, increases in the value of some of the components comprising the Underlying Asset may be moderated, or more than offset, by lesser increases or declines in the level of other components.

Correlation of performances among the components comprising the Underlying Asset may reduce the performance of the Notes.

Performances amongst the components comprising the Underlying Asset may become highly correlated from time to time during the term of the Notes, including, but not limited to, a period in which there is a substantial decline in a particular sector or asset type represented by the components comprising the Underlying Asset and which has a higher weighting in the Underlying Asset relative to any of the other sectors or asset types, as determined by the Underlying Asset strategy. High correlation during periods of negative returns among components comprising the

Underlying Asset representing any one sector or asset type and which such components have a substantial percentage weighting in the Underlying Asset could cause an adverse impact on the value of the Notes.

Historical performance of each component comprising the Underlying Asset should not be taken as an indication of the future performance of such component.

The actual performance of each component comprising the Underlying Asset over the term of the Notes, as well as the amount payable at maturity, may bear little relation to the historical performance of such component. The trading prices of the securities underlying each component comprising the Underlying Asset will determine the level of such component. As a result, it is impossible to predict whether the levels of the components comprising the Underlying Asset will rise or fall.

Future performance of the Underlying Asset cannot be predicted based on hypothetical or actual historical performance.

The future performance of the Underlying Asset cannot be predicted based on the hypothetical and actual historical performance of the Underlying Asset. The level of the Underlying Asset, the values of the components comprising the Underlying Asset, and the prices of the securities included in such components will be influenced by complex and interrelated political, economic, financial and other factors that can affect the capital markets generally and the equity trading markets on which the securities included in the components comprising the Underlying Asset are traded. The level of the Underlying Asset, the values of the components comprising the Underlying Asset and the prices of the securities included in such components will also be influenced by the various circumstances that can influence the prices of a particular security or the securities in a specific industry sector.

Hypothetical historical performance data on the Underlying Asset may not represent actual performance.

The respective index calculation agent began calculating the level of the Underlying Asset on dates disclosed in the applicable Supplement. The values of certain components of the Underlying Asset may be required prior to and after this date to determine the levels of the Underlying Asset after this date. Therefore, there may not be any actual historical data on the Underlying Asset for any day before the index calculation agent began calculating its level.

The Notes may be linked to an excess return index, and not a total return index.

The Notes may be linked to an excess return index and not a total return index. For instance, an excess return index, such as the BNP Paribas Millenium Long/Short Commodities USD Excess Return Index, reflects the returns that are potentially available through an unleveraged investment in the contracts comprising such index. By contrast, if the index was a total return index, in addition to reflecting those returns, the index would also reflect interest that could be earned on funds committed to the trading of the underlying futures contracts. The term "Excess Return" in the title of any Underlying Asset is not intended to suggest that the performance of the Underlying Asset at any time or the return on your Notes will be positive or that the Underlying Asset is designed to exceed a particular benchmark.

The Underlying Asset may include notional short positions, and, if so, the Underlying Asset may be subject to additional risks.

The Underlying Asset may employ a technique generally known as a "long/short" strategy. This means the Underlying Asset could include a number of notional long positions and a number of notional short positions. Unlike long positions, short positions are subject to unlimited risk of loss because there is no limit on the amount by which the price that the relevant asset may appreciate before the short position is closed. It is possible that any notional short position included in the Underlying Asset may appreciate substantially, leading to an adverse impact on the Underlying Asset value and your Notes.

If the Underlying Asset employs a long-short strategy, the performance of the Underlying Asset may be lower than the performance of an index based upon different long/short pairing combinations.

The level of the Underlying Asset depends on the performance of the components comprising the Underlying Asset, based on the index methodology. There can be no assurance that if the Underlying Asset employs a long/short strategy, the long/short pairings resulting from this strategy will actually perform better than different long/short pairings, methodologies, or strategies.

The Underlying Asset may be highly concentrated in one or more geographic regions, industries or economic sectors.

The Notes are subject to the downside risk of an investment in the Underlying Asset, which may be highly concentrated in securities or other instruments representing a particular geographic region, industry or economic sector. These include the risks that the price, value or level of other assets in these geographic regions, industries or economic sectors or the prices of the components comprising the Underlying Asset may decline, thereby adversely affecting the market value of the Notes. If the Underlying Asset is concentrated in a geographic region, an industry or group of industries or a particular economic sector, the Notes also will be concentrated in that industry or group of industries or economic sector.

For example, a financial crisis could erupt in a particular geographic region, industry or economic sector and lead to sharp declines in the currencies, equities markets and other asset prices in that geographic region, industry or economic sector, threatening the particular financial systems, disrupting economies and causing political upheaval. A financial crisis or other event in any geographic region, industry or economic sector could have a negative impact on some or all of the components comprising the Underlying Asset and the Underlying Asset and, consequently, the market value of the Notes may be adversely affected.

The closing level of the Underlying Asset may be exposed to fluctuations in exchange rates.

Even though some of the components comprising the Underlying Asset may trade in currencies other than the U.S. Dollar, the Underlying Asset is calculated in U.S. Dollars. Payments on the Notes will not be adjusted for changes in the exchange rate between the U.S. Dollar and any of the currencies in which some of the securities included in the components comprising the Underlying Asset might trade. In recent years, rates of exchange for foreign currencies have been volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative of fluctuations that may occur during the term of the Notes.

ADDITIONAL RISKS RELATING TO NOTES WITH UNDERLYING ASSETS ASSOCIATED WITH THE REAL ESTATE INDUSTRY OR THAT ARE BASED IN PART ON THE REAL ESTATE INDUSTRY

The closing level of the Underlying Asset may be exposed to the real estate industry.

The following are some of the conditions that might impact the value of real estate-related equity securities that may be included in a component comprising the Underlying Asset, the level of such component and, accordingly, the level of the Underlying Asset:

- a decline in the value of real estate properties;
- increases in property and operating taxes;
- increased competition or overbuilding;
- a lack of available mortgage funds or other limits on accessing capital;
- changes in zoning laws and governmental regulations;
- costs resulting from the clean-up of, and legal liability to third parties for damages resulting from environmental problems;
- investments in developments that are not completed or that are subject to delays in completion;
- risks associated with borrowing;
- changes in interest rates;

- casualty and condemnation losses; and
- uninsured damages from floods, earthquakes or other natural disasters.

In addition, weather conditions and natural disasters such as hurricanes, tornadoes, earthquakes, floods and fires can harm the real estate business. Geopolitical events, such as the aftermath of the war with Iraq and the terrorist attacks on September 11, 2001, and related market disruptions could also have a significant impact on the real estate business.

Risks associated with real estate investment trusts may affect the value of the Notes.

The Underlying Asset, or any of its components, may consist of a security that is composed of real estate related stocks including real estate investment trusts ("REITs"). REITs invest primarily in income producing real estate or real estate related loans or interests. Investments in REITs, though not direct investments in real estate, are still subject to the risks associated with investing in real estate. The following are some of the conditions that might impact the structure of and cash flow generated by REITs and, consequently, the value of REITs and, in turn, the value of the Underlying Asset and the Notes:

- a decline in the value of real estate properties;
- extended vacancies of properties;
- increases in property and operating taxes;
- increased competition or overbuilding;
- a lack of available mortgage funds or other limits on accessing capital;
- tenant bankruptcies and other credit problems;
- limitation on rents, including decreases in market rates for rents;
- changes in zoning laws and governmental regulations;
- costs resulting from the clean-up of, and legal liability to third parties for damages resulting from environmental problems;
- investments in developments that are not completed or that are subject to delays in completion;
- risks associated with borrowing;
- changes in interest rates;
- casualty and condemnation losses; and
- uninsured damages from floods, earthquakes or other natural disasters.

The factors above may either offset or magnify each other. To the extent that any of these conditions occur, they may negatively impact a REIT's cash flow and cause a decline in the share price of a REIT, and, consequently, the Underlying Asset. In addition, some REITs have relatively small market capitalizations, which can increase the volatility of the market price of securities issued by those REITs. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, as a result, subject to risks inherent in operating and financing a limited number of projects. To the extent that such risks increase the volatility of the market price of securities issued by REITs, they may also, consequently, increase the volatility of the Underlying Asset.

Risks associated with the homebuilding industry will affect the value of the Notes.

The homebuilding industry is significantly affected by factors in general and local economic conditions and real estate markets as well as by weather conditions, natural disasters and geopolitical events, any of which could affect the ability of the companies of any security, if any, underlying the Underlying Asset to conduct their business profitably. The homebuilding industry is cyclical and has from time to time experienced significant difficulties. The prices of any securities that may be held by the Underlying Asset and, in turn, the level of the Underlying Asset, will be affected by a number of factors that may either offset or magnify each other, including:

- employment levels and job growth;
- the availability of financing for home buyers;
- interest rates;
- consumer confidence;
- housing demand;

- the availability of suitable undeveloped land;
- raw material and labor shortages and price fluctuations;
- federal, state and local laws and regulations concerning the development of land, homebuilding, home sales, consumer financing and environmental protection;
- competition among companies which engage in the homebuilding business; and
- the supply of homes and other housing alternatives.

The difficulties described above could cause an upturn or a downturn in the homebuilding industry generally or regionally and could cause the value of the securities, if any, held by the Underlying Asset and thus the level of the Underlying Asset to decline or remain flat during the term of the Notes.

ADDITIONAL RISKS RELATING TO NOTES WHICH ARE NOT FULLY PRINCIPAL PROTECTED OR ARE CONTINGENTLY PROTECTED

The Notes are not fully principal protected and you may lose some or all of your principal.

The full principal amount of your investment is not protected, or is only contingently protected, and you may receive less, and possibly significantly less, than the amount you invested. Changes in the Final Level or Final Price (terms described in "Terms of the Notes" below) of the Underlying Asset could adversely affect the amount of principal, coupon or any other amounts payable on your Notes. Therefore, these changes may result in a loss of principal or the receipt of little or no coupon or other payments on your Notes. This will be true even if the level, value or price of the Underlying Asset as of some date or dates prior to the Final Valuation Date may have been above the Initial Level or Initial Price, because the principal, coupon and any other amounts payable on your Notes will be calculated only on the basis of the levels, values or prices of the Underlying Asset on the Valuation Dates subsequent to the Initial Valuation Date. You should therefore be prepared to realize no return on your Notes during their term or even a loss of all of your principal investment.

ADDITIONAL RISKS RELATING TO NOTES WITH A MAXIMUM RETURN, MAXIMUM RATE, CEILING OR CAP

Your gain on the Notes at maturity will be limited to the Maximum Return, Maximum Rate, Ceiling or Cap.

Your payment at maturity is based on the return of the Underlying Asset which, if positive, may be subject to the Maximum Return, Maximum Rate, Ceiling or Cap (collectively referred to herein as a "Maximum Return" and are described under "Certain Features of the Notes—Maximum Return, Maximum Rate, Ceiling or Cap" below). In the event that the Maximum Return is applicable, the maximum payment at maturity for each Note will be the sum of (i) the principal amount of the Note and (ii) the product of the principal amount of the Note and the Maximum Return, regardless of the positive percentage increase of the Underlying Asset or any of its components.

ADDITIONAL RISKS RELATING TO NOTES WITH A BARRIER PERCENTAGE OR A BARRIER LEVEL

The price at which you will be able to sell your Notes prior to or at the Maturity Date will depend on whether the Closing Level or Closing Price of the Underlying Asset ever fell below the Barrier Percentage or Barrier Level.

The market value of the Notes will be affected if the Closing Level or Closing Price of the Underlying Asset declines and if it ever approaches or falls below the Barrier Level, Barrier Percentage or Protection Price (terms are described in "Certain Features of the Notes" below). This type of occurrence will mean that the principal amount of your Notes is not protected and you may receive less, and possibly significantly less, than the amount you invested.

ADDITIONAL RISKS RELATING TO NOTES WHICH CONTAIN A MULTIPLIER

Changes in the levels, values and prices of the Underlying Assets will intensify any changes to the Underlying Asset.

If the principal, coupon or any other amounts payable on the Notes is dependent on a multiplier, movements in the levels, values and prices of Underlying Assets during the term of the Notes will be intensified. As a result, small changes in any of the Underlying Assets are expected to have a greater effect than Notes without a multiplier.

ADDITIONAL RISKS RELATING TO ABSOLUTE PERFORMANCE NOTES

Principal protection only if you hold the Notes to maturity.

You should be willing to hold your Notes to maturity. You will be entitled to receive at least the full principal amount of your Notes only if you hold your Notes to maturity. The market value of the Notes may fluctuate between the date you purchase them and the Final Valuation Date. If you sell your Notes in the secondary market prior to maturity, you may have to sell them at a loss.

If a Knock-Out Event occurs the additional amount will equal zero.

If the Closing Level for an Underlying Asset, as specified in the applicable Supplement, on any trading day during the period specified in the applicable Supplement is greater than the Upper Knock-Out Level or less than the Lower Knock-Out Level, the Additional Amount will equal zero. In this case you will only receive your principal investment regardless of how the Underlying Asset(s) performed. This return may not compensate you for any loss in value due to inflation and other factors relating to the value of money over time. Therefore, under these circumstances, your return may be less than the return you would have otherwise received if you had invested, for example, directly in the stocks composing the Underlying Asset(s). In addition, if the Final Level is greater than or less than the Initial Level and a Knock-Out Event occurs, your return would be less than the return you would have received if the Note did not contain a Knock-Out Event feature.

The appreciation potential is limited.

The appreciation potential of the Notes will be limited by the percentage of the Upper Knock-Out Level or the absolute value of the Lower Knock-Out Level. Therefore, the Notes have a maximum return, and the appreciation potential of the Notes is limited. The Additional Amount per $1,000 principal amount of the Notes will never be greater than the Upper Knock-Out Level less 100%. Accordingly, the appreciation potential of the Notes is limited.

The absolute performance will not be adjusted for changes in exchange rates that might affect the Underlying Asset.

The Underlying Asset may include stocks which are traded in currencies other than U.S. dollars. The payment at maturity will not be adjusted for changes in the exchange rate between the U.S. dollar and each of the currencies in which the stocks included in the Underlying Asset are denominated. The payment at maturity will be determined solely in accordance with the procedures as defined in the applicable Supplement.

ADDITIONAL RISKS RELATING TO NOTES WHICH WE MAY CALL OR REDEEM (AUTOMATICALLY OR OTHERWISE)

Early redemption risk.

It is more likely that the Issuer will redeem the Notes prior to maturity to the extent that the Underlying Asset level during the term of the Notes results in an amount payable that is greater than instruments of a comparable maturity and credit rating trading in the market. If the Notes are redeemed prior to maturity, you will receive no further benefits relating to the features of the Notes, including any leverage factor, and you will also receive no further payments on the Notes.

Market factors may influence whether we exercise our right to call or redeem the Notes prior to their scheduled maturity.

It is possible that we will call or redeem the Notes prior to the Maturity Date. If the Notes are redeemed prior to their Maturity Date, you may be subject to reinvestment rate risk whereby it is likely that you will be unable to invest in securities with similar risk and yield as the Notes. Your ability to realize market value appreciation is limited by our right to call the Notes prior to the Maturity Date.

If subject to an automatic call, the appreciation potential of the Notes is limited.

Any gain on the Notes will be limited to the Call Premium, if any, applicable to the Review Date on which the Notes are called, regardless of the appreciation of the Underlying Asset, which may be greater than the applicable Call Premium. In addition, the automatic call feature of the Notes may shorten the term of your investment.

The amount we will pay you to call your Notes because we are required to pay additional amounts in respect of tax withholding is uncertain.

If we redeem your Notes because we are required to pay additional amounts in respect of withholding, or deduction of taxes from any payment on the Notes, we will pay you a Redemption Price for your Notes that will be determined by the Calculation Agent in a manner reasonably calculated to preserve your and our relative economic positions. This Redemption Price would take into consideration the net present value of expected future payments of the principal and coupon on the Notes. If there are little or no expected future Coupon Payments on the Notes, the net present value would primarily depend on the present value of the repayment of the principal amount at maturity, which could result in a net present market value of the Notes below par.

ADDITIONAL RISKS RELATING TO NOTES WITH MORE THAN ONE UNDERLYING ASSET (A "BASKET")

The Basket may not be a recognized market index and may not accurately reflect global market performance.

The Basket may not be a recognized market index and may be created solely for purposes of the offering of the Notes and calculated solely during the term of the Notes. In that instance, the level of the Basket and, therefore, its performance will not be published as a separate index during the term of the Notes.

Risks associated with the Basket may adversely affect the market price of the Notes.

Because the Notes may be linked to changes in the values of a limited number of Underlying Assets, the Basket may be less diversified than funds or portfolios investing in broader markets and, therefore, could experience greater volatility. An investment in those Notes may carry risks similar to a concentrated investment in a limited number of industries or sectors.

The components of the Underlying Assets and the Underlying Assets comprising the Basket may not move in tandem; and gains in one such instrument may be offset by declines in another such instrument.

Price movements in the components of the Underlying Assets and the Underlying Assets comprising the Basket may not move in tandem with each other. At a time when the level, value or price of one or more of those instruments increases, the level, value or price of one or more of the other of those instruments may decline. Therefore, increases in the level, value or price of one or more of the components of the Underlying Asset and the Underlying Assets comprising the Basket may be moderated, or wholly offset, by lesser increases or declines in the level, value or price of one or more of the other components of the Underlying Asset and the Underlying Assets comprising the Basket.

The Basket may be highly concentrated in one or more geographic regions, industries or economic sectors.

The Notes are subject to the downside risk of an investment in the Basket, which may be highly concentrated in securities or other instruments representing a particular geographic region, industry or economic sector. These include the risks that the price, value or level of other assets in these geographic regions, industries or economic sectors or the prices of securities or other components of the Underlying Asset and the Underlying Assets comprising the Basket may decline, thereby adversely affecting the market value of the Notes. If the Basket is concentrated in a geographic region, an industry or group of industries or a particular economic sector, the Notes also will be concentrated in that industry or group of industries or economic sector.

For example, a financial crisis could erupt in a particular geographic region, industry or economic sector and lead to sharp declines in the currencies, equities markets and other asset prices in that geographic region, industry or economic sector, threatening the particular financial systems, disrupting economies and causing political upheaval. A financial crisis or other event in any geographic region, industry or economic sector could have a negative impact on some or all of the Underlying Assets and the Basket and, consequently, the market value of the Notes may be adversely affected.

The correlation among the components comprising the Basket may change.

Correlation is the term used to describe the relationship between the percentage change among the components comprising the Basket. Changes in the correlation may adversely affect the market value of the Notes.

ADDITIONAL RISKS RELATING TO NOTES WITH MORE THAN ONE UNDERLYING ASSET, WHERE THE PERFORMANCE OF THE NOTE IS LINKED TO THE PERFORMANCE OF ONLY ONE UNDERLYING ASSET.

Although the Notes may initially be linked to more than one Underlying Asset, losses may be linked to the performance of only one Underlying Asset.

While the Note may initially be linked to more than one Underlying Asset, losses may be linked to the performance of only one Underlying Asset. The Note may be linked to the Underlying Asset that has exhibited the greatest percentage price decline or the lowest percentage price increase (if the Final Price of each Underlying Asset is greater than its respective Initial Price). In either case, gains in any of the other Underlying Assets will be irrelevant. Further, if the Notes are linked to the worst performing Underlying Asset among multiple Underlying Assets, there may be a greater risk of your Notes being linked to a poor performing Underlying Asset, and therefore a greater risk of you receiving no return in excess of your initial investment if your Notes are principal protected and a greater risk of loss if your Notes are not principal protected.

ADDITIONAL RISKS RELATING TO DIGITAL NOTES

You will not participate in any appreciation in the value of the Underlying Asset.

Some Notes, which are sometimes referred to as "Digital Notes", are Notes that pay a Coupon, if any, at maturity and that do not reflect the extent to which an Underlying Asset appreciates. For example, if the Final Price of the Underlying Asset is greater than the Initial Price of the Underlying Asset, the Coupon Payment you receive with respect to the Notes and the principal payment you receive at maturity will be a fixed amount and not reflect the performance of the Underlying Asset. Under no circumstances, regardless of the extent to which the value of the Underlying Asset appreciates, will your return exceed the applicable Coupon Payment. For example, if the Underlying Asset has appreciated by 50% as of the Final Valuation Date, you will receive only your principal amount plus the applicable Coupon Payments made at maturity of the Notes. In this case, you may earn significantly less by investing in the Notes than you would have earned by investing directly in the Underlying Asset.

ADDITIONAL RISKS RELATING TO NOTES PAYABLE IN A CURRENCY OTHER THAN U.S. DOLLARS.

The unavailability of foreign currencies could result in a substantial loss to you.

Banks may not offer non-U.S. dollar denominated checking or savings account facilities in the United States. Accordingly, payments on non-U.S. dollar denominated Notes will be made from an account with a bank located in the country issuing the specified currency. As a result, you may have difficulty converting or be unable to convert those specified currencies into U.S. dollars on a timely basis or at all.

Changes in foreign currency exchange rates and foreign exchange controls could result in a substantial loss to you.

An investment in the Notes that is denominated in a specified currency other than U.S. dollars, entails significant risks that are not associated with a similar investment in a security denominated in U.S. dollars. Risks include, without limitation, the possibility of significant changes in rates of exchange between the U.S. dollar and the relevant foreign currencies or composite currencies and the possibility of the imposition or modification of foreign exchange controls by either the United States or international governments. These risks generally depend on factors over which we have no control, such as economic and political events or the supply of and demand for the relevant currencies. In recent years, rates of exchange between the U.S. dollar and certain foreign currencies have been highly volatile and that volatility also could occur in the future. If a Note is non-U.S. dollar denominated, changes in rates of exchange between the U.S. dollar and the relevant foreign currency could adversely affect the effective yield of the Note below its interest rate, and in some circumstances could result in a loss to the investor on a U.S. dollar basis.

Governments have imposed, and may in the future impose, exchange controls that could affect currency exchange rates, as well as the availability of a specified foreign currency for making payments with respect to a non-U.S. dollar denominated Note. There can be no assurance that exchange controls will not restrict or prohibit payments in any of those currencies or currency units. Even if there are no actual exchange controls, it is possible that the specified currency for any particular Note would not be available to make payments when due. In that event, we will repay that Note in U.S. dollars on the basis of the most recently available currency exchange rate.

Non-U.S. dollar Notes may permit us to make payments in U.S. dollars or delay payment if we are unable to obtain the specified currency.

Notes payable in a currency other than U.S. dollars may provide that, if the other currency is subject to convertibility, transferability, market disruption or other conditions affecting its availability at or about the time when a payment on the Notes comes due because of circumstances beyond our control, we will be entitled to make the payment in U.S. dollars or delay making the payment. We will describe these provisions in the Supplement relating to your Notes. These circumstances could include the imposition of exchange controls or our inability to obtain the other currency because of a disruption in the currency markets. If we made payment in U.S. dollars, the currency exchange rate we would use would be determined in the manner described in "Description of Medium-Term Notes—Payment and Paying Agent". A determination of this kind may be based on limited information and would involve significant discretion on the part of the exchange rate agent appointed by us. As a result, the value of the payment in U.S. dollars an investor would receive on the payment date may be less than the value of the payment the investor would have received in the other currency if it had been available, or may be zero. In addition, a government may impose extraordinary taxes on transfers of a currency. If that happens, we will be entitled to deduct these taxes from any payment on Notes payable in that currency.

We will not adjust non-U.S. dollar Notes to compensate for changes in currency exchange rates.

Except as described in the applicable Supplement, we will not make any adjustment or change in the terms of a non-U.S. dollar Note in the event of any change in currency exchange rates for the relevant currency, whether in the event of any devaluation, revaluation or imposition of exchange or other regulatory controls or taxes or in the event of other developments affecting that currency, the U.S. dollar or any other currency. Consequently, investors in non-U.S. dollar Notes will bear the risk that their investment may be adversely affected by these types of events.

In a lawsuit for payment on a non-U.S. dollar Note, you may bear currency exchange risk.

Our Notes will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on a Note denominated in a currency other than U.S. dollars would be required to render the judgment in the specified currency; however, the judgment would be converted into U.S. dollars at the currency exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on a Note denominated in a currency other than U.S. dollars, investors would bear currency exchange risk until judgment is entered, which could be a long time.

In courts outside of New York, investors may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on a non-U.S. dollar Note in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date used to determine the rate of conversion of the currency in which any particular Note is denominated into U.S. dollars will depend upon various factors, including which court renders the judgment.

PROGRAM CREDIT RATING

The Notes are issued under the Medium-Term Notes Program (the "Program"). The Notes are expected to carry the rating of the Program, which is rated AA+ by Standard & Poor's, a division of the McGraw-Hill Companies, Inc. ("S&P"), Aa1 by Moody's Investor Services, Inc. ("Moody's") and a rating of "AA" by Fitch Ratings ("Fitch"). An AA rating from S&P generally indicates that the issuer's capacity to meet its financial commitment on the obligations arising from the Program is very strong. An Aa1 rating by Moody's indicates that the Program is currently judged by Moody's to be an obligation of high quality and is subject to very low credit risk. An AA rating by Fitch indicates that the Program is currently judged by Fitch to be an obligation of very high credit quality and is subject to very low credit risk.

The credit rating is a statement of opinion and not a statement of fact. The rating is: (1) subject to downward revisions, suspension or withdrawal at any time by the assigning rating agency; (2) does not take into account market risk or the performance-related risks of the investment (including, without limitation, the risks associated with the potential negative performance of any Underlying Asset to which the Notes are linked); and (3) is not a recommendation to buy, sell or hold securities.

DESCRIPTION OF MEDIUM-TERM NOTES

Legal Ownership

Investors who hold the Notes in accounts at banks or brokers will generally not be recognized by us as legal holders of the Notes. This is called holding in street name. Instead, we would recognize only the bank or broker, or the financial institution the bank or broker uses to hold its Notes. These intermediary banks, brokers and other financial institutions pass along principal, coupon and other payments on the Notes, either because they agree to do so in their customer agreements or because they are legally required. An investor who holds the Notes in street name should check with the investor's own intermediary institution to find out:

- how it handles the Notes' payments and notices;
- whether it imposes fees or charges;
- how it would handle voting if it were ever required;
- whether and how the investor can instruct it to send the investor's the Notes, registered in the investor's own name so the investor can be a direct holder as described below; and
- how it would pursue rights under the debt securities if there were a default or other event triggering the need for holders to act to protect their interests.

Clearance and Settlement

Notes we issue may be held through one or more international and domestic clearing systems. The principal clearing systems we will use are the book-entry systems operated by The Deposit Trust Company, or "DTC", in the United States, Clearstream Banking, société anonyme, or Clearstream, Luxembourg, in Luxembourg and Euroclear Bank S.A./N.V., or Euroclear, in Brussels, Belgium. These systems have established electronic securities and payment transfer, processing, depositary and custodial links among themselves and others, either directly or through custodians and depositories. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. See "Book-Entry Procedures and Settlement" in the Base Prospectus for further information about DTC.

Currency of Notes

Amounts that become due and payable on your Notes in cash will be payable in a currency, composite currency, basket of currencies or currency unit or units ("specified currencies") specified in the applicable Supplement. The specified currency for your Notes will be U.S. dollars, unless your Supplement states otherwise. Some Notes may have different specified currencies for principal, coupon or other amounts payable on your Notes. We will make payments on your Notes in the specified currency, except as described in the applicable Supplement. See "Risk Factors—Additional Risks Relating to Notes with Underlying Assets That Are Currencies, an Index Containing Currencies or Based in Part on Currencies" for more information about the risks of investing in this kind of Note.

Calculations and Calculation Agent

Any calculations relating to the Notes will be made by the Calculation Agent, an institution that we appoint as our agent for this purpose. Unless otherwise specified in the applicable Supplement, BNPP Securities will act as the Calculation Agent. We may appoint a different institution, including one of our affiliates, to serve as the Calculation Agent from time to time after the original issue date of the Note without your consent and without notifying you of the change.

The Calculation Agent will, in its sole discretion, make all determinations regarding the market value of the Notes at maturity, the price, value or level of the Underlying Asset, Market Disruption Events, Business Days, the default amount upon any acceleration (only in the case of a Market Disruption Event), the Maturity Date, any Early Redemption Date, the coupon rate and the amount payable in respect of your Notes and any other calculations or determinations to be made by the Calculation Agent. Absent manifest error, all determinations of the Calculation Agent will be conclusive for all purposes and final and binding on you and us, without any liability on the part of the Calculation Agent. You will not be entitled to any compensation from us for any loss suffered as a result of any of the above determinations by the Calculation Agent.

All percentages resulting from any calculation relating to a Note will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point, *e.g.*, 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655). All amounts used in or resulting from any calculation relating to a Note will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars, the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, or to the nearest one hundred-thousandth of a unit, in the case of a currency exchange rate, with one-half cent, one-half of a corresponding hundredth of a unit or one-half of a hundred-thousandth of a unit or more being rounded upward.

In determining the price, value or level of an Underlying Asset that applies to a Note during a particular interest or other period, the Calculation Agent may obtain quotes from various banks or dealers active in the relevant market, as described under "Underlying Assets" below. Those reference banks, dealers, Underlying Asset Sponsors or information providers may include the Calculation Agent itself and its affiliates, as well as any underwriter, dealer or agent participating in the distribution of the relevant Notes and its affiliates, and they may include BNP Paribas or its affiliates.

The Supplement

The Supplement for each offering of Notes will contain the detailed information and terms for that particular offering. The Supplement also may add, update or change information contained in this Product Supplement, and the Base Prospectus. If any information in the Supplement is inconsistent with the Product Supplement or the Base Prospectus, you should rely on the information in the Supplement. Any Supplement should be read in connection with this Product Supplement. It is important that you consider all of the information in the Supplement and this Product Supplement when making your investment decision.

Terms Specified in a Supplement

The following contains a partial listing of the information and terms of a Note offering which may be included in a Supplement:

- initial public offering price,
- the Underlying Asset and a description thereof,
- to the extent that the Underlying Asset is an index, a description of the components thereof,
- ticker symbol or other identification of the Underlying Asset,
- stated principal amount,
- the Initial Valuation Date or other date on which the Notes price,
- Settlement Date and Original Issue Date,
- Valuation Dates, Observation Dates or Averaging Dates, if any,
- Maturity Date and any terms related to any extension of the Maturity Date not otherwise set forth in this Product Supplement,
- agents' commission or discount, if any,
- to the extent the Underlying Asset is based on multiple indices, the relative weighting of each index comprising the Underlying Asset,
- Maximum Return, if any,
- maximum loss, if any, *provided* that in some instances, the maximum loss will be determined based on a formula or other method as described in the applicable Supplement,
- Initial Level or Initial Price of the Underlying Asset,
- whether your principal investment in the Notes is fully protected, partially protected, contingently protected or not protected,
- Upside Leverage Factor or Participation Rate, if any,
- Downside Leverage Factor, if any,
- Barrier Percentage or Barrier Level, if any,
- Buffer Percentage or Buffer Level, if any,
- payment at maturity, including the formula or method of calculation and the relevant Underlying Assets, if any,
- to the extent the Notes are exchangeable for Underlying Assets, the specified property or the cash value of the specified property the holder may receive at the specified currency exchange rate, at maturity or otherwise,
- Business Day, Business Day Convention and Day Count Convention,
- CUSIP number,
- over-allotment option, if any,

- reissuances or Reopened issues of the Notes,
- denominations of the Notes,
- Issue Price and Variable Price Offer,
- Early Redemption Option by Issuer, Early Redemption by Holder, Option Redemption Dates, Redemption Price, if any,
- repayment at the option of the Note holder, if any,
- special requirements for optional repayment of Global Notes, if any,
- the specified currency and the currency in which the interest will be payable if not in U.S. dollars,
- for Notes that pay coupon, information concerning the related fixed or floating rate, any Spread and any other terms relating to the particular method of calculating the coupon rate for the Note, and
- any other applicable terms.

TERMS OF THE NOTES

Please note that the information about the price to the public and net proceeds to the Issuer in the applicable Supplement relates only to the initial sale of the Notes. If you have purchased the Notes in a purchase/resale transaction after the initial sale, information about the price and date of sale to you will be provided in a separate confirmation of sale.

We describe the terms of the Notes in more detail below.

To the extent the amounts payable on the Notes are based on an Underlying Asset or formula other than the rates or formulas described in this Product Supplement, the terms of this Product Supplement will be amended in the applicable Supplement to account for such Underlying Asset or formula.

Principal Protection

The applicable Supplement will specify whether your principal investment in the Notes is fully protected, partially protected, contingently protected or not protected. If your Notes are contingently protected, the applicable Supplement will specify the "Buffer Level", "Buffer Percentage" or "Protection Price", each described below. If your principal investment is not principal protected, you may receive less, and possibly significantly less, than the amount you invested.

Payment at Maturity

The applicable Supplement will detail the payment at maturity. The payment at maturity may be based on movements in the price, value or level or other events relating to one or more Underlying Assets, and if so, the formula or method of calculation and the relevant Underlying Assets will be specified in the applicable Supplement.

Coupon Payments

The Notes will pay a coupon, if any, from the original issue date or any other date as specified in the applicable Supplement at either a fixed-rate, floating-rate or linked to a Underlying Asset as specified in the applicable Supplement. See "Coupon Mechanics".

Exchangeable Notes

An "Exchangeable Note" is a Note that is optionally or mandatorily exchangeable into cash or one or more Underlying Assets. A Note of this type may or may not bear interest or be issued with original discount or at a premium. See "Certain Features of the Notes—Exchangeable Notes" below.

Original Issue Discount Notes

A Note may be an "Original Issue Discount Note". A Note of this type generally is issued at a price lower than its principal amount and generally provides that, upon redemption or acceleration of its maturity, an amount less than its principal amount will be payable. An Original Issue Discount Note may be a zero coupon Note.

Issue Price and Variable Price Offer

The Notes may have a fixed price (such as par) or a "Variable Price Offer" where the Notes are sold in one or more negotiated transactions (at prices that may be different than par), and these sales may occur at market prices prevailing at the time of sale, at prices related to those prevailing market prices or at negotiated prices. The Notes may be sold at a discount and the Redemption Price may equal 100% or some other percentage of par. The applicable Supplement will specify the issue price or the maximum issue price.

Maturity Date

The "Maturity Date" will be the Maturity Date specified in the applicable Supplement. Unless otherwise stated therein, the Maturity Date will be governed by the "Following Business Day" convention (*e.g.*, if the Maturity Date stated in the applicable Supplement is not a Business Day, the Maturity Date will be extended to the next Following Business Day). If the Final Valuation Date referred to below occurs on a day which is less than two Business Days prior to the Maturity Date, then the Maturity Date will be the second Business Day following that date. The Calculation Agent may postpone the Final Valuation Date, and therefore the Maturity Date, if a Market Disruption Event occurs or is continuing on a day that would otherwise be the Final Valuation Date. We describe Market Disruption Events for the different Underlying Asset classes under "Underlying Assets". See "Certain Features of the Notes—Final Valuation Date, Final Observation Date or Final Averaging Date".

In the event that the Maturity Date is postponed as described above, the related payment, and other amounts payable on the Notes at maturity without additional coupon will be made on the postponed Maturity Date.

Reissuances or Reopened Issues

Under some limited circumstances, and at our sole discretion, we may "Reopen" or reissue certain issuances of Notes. These further issuances, if any, will be consolidated to form a single class with the originally issued Notes and will have the same CUSIP number and will trade interchangeably with the Notes immediately upon settlement. Any additional issuances will increase the aggregate principal amount of the outstanding Notes of the class, plus the aggregate principal amount of any Notes bearing the same CUSIP number that are issued pursuant to (i) any over-allotment option we may grant to an agent, and (ii) any future issuances of Notes bearing the same CUSIP number. The price of any additional offering will be determined at the time of pricing of that offering.

We intend to comply with the requirements under the Treasury regulations governing "qualified reopenings" and we will therefore treat any additional offerings of Notes as part of the same issue as the Notes for U.S. federal income tax purposes. Accordingly, for purposes of the Treasury regulations governing original issue discount on debt instruments, we will treat any additional offerings of Notes as having the same original issue date, the same issue price and, with respect to holders, the same adjusted issue price as the Notes.

Over-Allotment Option

We grant agents a 30-day over-allotment option from the date of the applicable Supplement to purchase or arrange for purchase from us additional principal amount of Notes at the public offering price to cover any over-allotments.

Business Day

Unless otherwise defined in this Product Supplement, a "Business Day" will be defined in the applicable Supplement according to a specified Business Day Convention. See "—Business Day Convention" below.

As used in this Product Supplement with respect to the Underlying Assets which are interest rates, "Business Day" means any day that:

- for any Note, is a Monday, Tuesday, Wednesday, Thursday or Friday and that is not a day on which banking institutions in New York City generally are authorized or obligated by law or executive order to be closed,

- for Libor Notes only, is also a London Business Day,

- for Notes having a specified currency other than U.S. dollars only, other than Notes denominated in Euros, is also not a day on which banking institutions in the principal financial center (as described below) of the country of the specified currency generally are authorized or obligated by law or executive order to close, and

- for EURIBOR Notes, Notes denominated in Euros or Libor Notes for which the Index Currency is Euros only, is also a Euro Business Day.

As used above, a principal financial center means the capital city of the country issuing the specified currency. However, for U.S. dollars, Australian dollars, Canadian dollars and Swiss francs, the principal financial center will be New York City, Sydney, Toronto and Zurich, respectively.

As used in this Product Supplement, a "London Business Day" means any day that is a Monday, Tuesday, Wednesday, Thursday or Friday and on which dealings in deposits in U.S. dollars are transacted, or with respect to any future date are expected to be transacted, in the London interbank market, and a "Euro Business Day" means any day that is a Monday, Tuesday, Wednesday, Thursday or Friday on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System is open.

Business Day Convention

Business Day Conventions are procedures used to adjust certain dates (*e.g.*, Coupon Payment Dates, redemption dates, etc.) in response to days that are not Business Days. The descriptions below use payment dates for example purposes.

- *Following Business Day*. Any payment on the Notes that would otherwise be due on a day that is not a Business Day may instead be paid on the next day that is a Business Day.

- *Modified Following Business Day*. Any payment on the Notes that would otherwise be due on a day that is not a Business Day may instead be paid on the next day that is a Business Day, unless that day falls in the next calendar month, in which case the payment date will be the first preceding day that is a Business Day.

- *Preceding Business Day*. Any payment on the Notes that would otherwise be due on a day that is not a Business Day may instead be paid on the first preceding day that is a Business Day.

In each case, if a payment is made on the following or preceding Business Day in accordance with the procedures described above with the same effect as if paid on the original due date and without payment of any additional coupon, the Business Day Convention is "Unadjusted".

Day Count Convention

A "Day Count Convention" is a method to calculate the fraction of a year between two dates. The applicable Supplement will specify the Day Count Convention, if any.

- *ACT/360 or Actual/360*. The actual number of days between two periods divided by 360.
- *30/360*. Each month is treated as having 30 days and the year is considered to have 360 days.
- *ACT/ACT or Actual/Actual*. Each month represents the actual number of days divided by the actual number of days in the year.
- *ACT/365 or Actual/365 Fixed*. Each month represents the actual number of days, and the year is assumed to have 365 days, regardless of leap year status.
- *NL/365*. "No Leap Year" logic extension to ACT/365 where leap days are subtracted, ensuring the quotient never exceeds 1.
- *30/365*. Extension to 30/360 where each month is treated as having 30 days and the year is considered to have 365 days.
- *ACT/366 or Actual/366*. Extension to ACT/365 where each month represents the actual number of days and the denominator is set to 366, ensuring the quotient never exceeds 1.
- *ACT/252 or BUS/252 or Actual/252 or Business Days/252*. The number of Business Days in a nominal year of 252 Business Days. (Weekends and holidays are excluded; thus, Friday to Monday would be considered 1 day.)

Redemption and Repurchase

Early Redemption by Issuer

The applicable Supplement will indicate the terms of the option, if any, we have to redeem the Notes, in whole or in part ("Early Redemption Option by Issuer"). We will notify each holder, or in the case of Global Notes, the depositary, as holder of the Global Notes within the redemption notice period specified in the applicable Supplement. The Notes will not be subject to any sinking fund. See "Terms and Conditions of the Notes—Redemption and Purchase" in the accompanying Base Prospectus.

Early Redemption by Holder

The applicable Supplement will indicate the terms of the option holders have to redeem the Notes, in whole or in part ("Early Redemption Option by Holder"). The applicable Supplement will indicate the notification requirements that holders must follow to effect its Early Redemption Option by Holder. Unless otherwise indicated in the Supplement, in order for holders to redeem its Notes on a Holder Redemption Date, holders must deliver a notice of redemption to us via email no later than 4:00 p.m. New York City time, on the Business Day prior to the applicable Valuation Date and follow the Holder Procedures. For purposes of this section, "Valuation Date" means the business days indicated in the Supplement (subject to the occurrence of a Market Disruption Event), or if such date is not a trading day, the next succeeding trading day, not to exceed five business days.

Optional Redemption Dates

We, at our election, may redeem the Notes in whole or in part on any "Optional Redemption Date". The applicable Supplement will indicate the Optional Redemption Dates and the respective Business Day Convention.

Redemption Price

If we exercise any Early Redemption Option by Issuer we have, we will pay you the "Redemption Price" which is the price per Note, together with any accrued but unpaid coupon thereon to (but excluding) the Early Redemption Date.

Unless stated otherwise in the applicable Supplement, the Early Redemption Date will be governed by the Following Business Day convention and coupon will not accrue during the period from and after the stated Early Redemption Date. See "Terms of the Notes—Business Day Convention".

Repayment at Option of the Holder

The applicable Supplement will indicate whether the holder has the option to require us to repay the Note on a date or dates specified prior to its Maturity Date ("Repayment Option"). The repayment price will be disclosed in the applicable Supplement. If the Notes were issued with original issue discount, the applicable Supplement will specify the amount payable upon repayment.

Exercise of the Repayment Option by the holder of a Note will be irrevocable. Unless otherwise indicated in the applicable Supplement, the holder may exercise the Repayment Option for less than the entire principal amount of the Note but, in that event, the principal amount of the Note remaining outstanding after repayment must be an authorized denomination.

Special Requirements for Optional Repayment of Global Notes

Since the Notes are represented by Global Notes, the depositary or depositary's nominee will be the holder of the Notes and therefore will be the only entity that can exercise a right to repayment. To ensure that the depositary's nominee will timely exercise a right to repayment of a particular Note, the beneficial owner of the Note must instruct the broker or other direct or indirect participant through which it holds an interest in the Note to notify the depositary of its desire to exercise a right to repayment. Each beneficial owner of the Note should consult the broker or other direct or indirect participant through which it holds an interest in a Note in order to ascertain the cut-off time by which an instruction must be given for timely notice to be delivered to the depositary.

COUPON MECHANICS

How Interest Is Calculated

Interest on Notes will accrue from and include the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from and include the original issue date or any other date specified in the applicable Supplement on which interest begins to accrue. Interest will accrue to but exclude the next Interest Payment Date or, the date on which the principal has been paid or duly made available for payment, except as described under "—If a Payment Date Is Not a Business Day" herein.

Accrued interest on a floating rate Note during an interest period with more than one Interest Reset Date will be calculated by multiplying the principal amount of the Note by an accrued interest factor. The accrued interest factor will be computed by adding the interest factors calculated for each day in the applicable interest period. Unless otherwise specified in the applicable Supplement, the interest factor for each such day will be computed by dividing the interest rate in effect on that day by 360, in the case of CD Rate Notes, Commercial Paper Rate Notes, federal funds rate Notes, Libor Notes, EURIBOR Notes, Prime Rate Notes, Eleventh District Cost of Funds Rate Notes and CMS Rate Notes. In the case of CMT Rate Notes and Treasury Rate Notes, the interest factor for each such day will be computed by dividing the interest rate by the actual number of days in the year. The interest factor will be expressed as a decimal calculated to seven decimal places without rounding. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date.

For all other floating rate Notes, accrued interest will be calculated by multiplying the principal amount of the Note by the interest rate in effect during the applicable interest period. That product is then multiplied by the quotient obtained by dividing the actual number of days in the period for which accrued interest is being calculated by 360, in the case of CD Rate Notes, Commercial Paper Rate Notes, federal funds rate Notes, Libor Notes, EURIBOR Notes, Prime Rate Notes, Eleventh District Cost of Funds Rate Notes and CMS Rate Notes. In the case of CMT Notes and Treasury Rate Notes, the product is multiplied by the quotient obtained by dividing the actual number of days in the period for which accrued interest is being calculated by the actual number of days in the year.

Regular Record Dates for Interest

In the event that the Notes are issued as "Global Notes", the ultimate beneficial owners of the Notes are indirect holders and interest will be paid to the person in whose name the Notes are registered at the close of business on the regular record date before each Interest Payment Date. The regular record date relating to an Interest Payment Date for the Notes issued as Global Notes will be the date one Business Day prior to the Interest Payment Date, whether or not that Interest Payment Date is a Business Day; *provided that* for an Interest Payment Date that is also the Maturity Date, the interest payable on that Interest Payment Date will be payable to the person to whom the principal is payable. If the Interest Payment Date is also a day on which principal is due, the interest payable will include interest accrued to, but excluding, the Maturity Date. If a Note is issued between a record date and an Interest Payment Date, the first interest payment will be made on the next succeeding Interest Payment Date. For the purpose of determining the holder at the close of business on a regular record date, the close of business will mean 5:00 p.m., New York City time, on that day.

If a Payment Date Is Not a Business Day

If any scheduled Interest Payment Date, Maturity Date or any earlier redemption or repayment date, is not a Business Day, we may pay interest or principal according to a designated Business Day Convention, which may be the same for all of those dates or different for each date. See "Terms of the Notes—Business Day Convention". Interest on that payment may or may not accrue during the period from and after the scheduled or stated payment date. Unless the applicable Supplement states otherwise, we will pay interest or principal according to the Following Business Day Convention, Unadjusted (*i.e.*, interest on that payment will not accrue during the period from and after the scheduled date).

No interest will accrue and be payable on your Notes after the Maturity Date specified in the applicable Supplement if the Maturity Date is postponed or extended.

Interest Payment Dates or Coupon Payment Dates

Subject to adjustment in accordance with the Business Day Convention, the "Interest Payment Dates" or "Coupon Payment Dates" are the dates payments of interest on Notes will be made. The Interest Payment Dates will be specified in the applicable Supplement. See "Terms of the Notes—Coupon Payments" and "Coupon Mechanics—Regular Record Dates for Interest" in this Product Supplement.

How Floating Interest Rates Are Reset

The interest rate in effect from the date of issue to the first Interest Reset Date for a floating rate Note will be the Initial Interest Rate specified in the applicable Supplement. We refer to this rate as the "Initial Interest Rate". The interest rate on each floating rate Note may be reset daily, weekly, monthly, quarterly, semi-annually or annually. This period is the "Interest Reset Period" and the first day of each Interest Reset Period is the "Interest Reset Date".

Unless otherwise specified in the applicable Supplement, if an Interest Reset Date for any floating rate Note (other than a Libor Note, EURIBOR Note or federal funds rate Note) would fall on a day that is not a Business Day, the Interest Reset Date will be postponed to the next Following Business Day. If an Interest Reset Date for a Libor Note would fall on a day that is not a London Business Day, the Interest Reset Date will be postponed to the next modified following London Business Day. If an Interest Reset Date for a EURIBOR Note would fall on a day that is not a Euro Business Day, the Interest Reset Date will be postponed to the next modified following Euro Business Day. If an Interest Reset Date, in the case of a Federal Funds (Open) Rate Note or a Federal Funds (Effective) Rate Note, would fall on a day that is not a Business Day, the Interest Reset Date will be postponed to the next modified

Following Business Day. If an auction of direct obligations of U.S. Treasury bills falls on a day that is an Interest Reset Date for Treasury Rate Notes, the Interest Reset Date will be the Following Business Day.

The rate of interest that goes into effect on any Interest Reset Date will be determined by the Calculation Agent by reference to a particular date called an "Interest Determination Date". Unless otherwise specified in the applicable Supplement:

For Federal Funds (Open) Rate Notes, the Interest Determination Date relating to a particular Interest Reset Date will be the same day as the Interest Reset Date.

For Prime Rate Notes and Federal Funds (Effective) Rate Notes, the Interest Determination Date relating to a particular Interest Reset Date will be the first Business Day preceding the Interest Reset Date.

For Commercial Paper Rate Notes, CD Rate Notes, CMS Rate Notes and CMT Rate Notes, the Interest Determination Date relating to a particular Interest Reset Date will be the second Business Day preceding the Interest Reset Date.

For Libor Notes, the Interest Determination Date relating to a particular Interest Reset Date will be the second London Business Day before the Interest Reset Date, unless the Index Currency is pounds sterling, in which case the Interest Determination Date will be the Interest Reset Date.

For EURIBOR Notes, the Interest Determination Date relating to a particular Interest Reset Date will be the second Euro Business Day preceding the Interest Reset Date.

For Treasury Rate Notes, the Interest Determination Date for a particular Interest Reset Date will be the day of the week in which the Interest Reset Date falls on which treasury securities would normally be auctioned. Treasury securities are normally sold at auction on Monday of each week unless that day is a legal holiday. In that case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is held on the preceding Friday, that Friday will be the Treasury Rate Interest Determination Date pertaining to the Interest Reset Date falling in the next week. If an auction date falls on any day that would otherwise be an Interest Reset Date for a Treasury Rate Note, then that Interest Reset Date will instead be the Business Day immediately following the auction date.

For Eleventh District Cost of Funds Rate Notes, the Interest Determination Date relating to a particular Interest Reset Date will be the last working day, in the first calendar month before that Interest Reset Date, on which the Federal Home Loan Bank of San Francisco publishes the monthly average cost of funds paid by a member institutions of the Eleventh Federal Home Loan Bank District for the second calendar month before that Interest Reset Date.

The "Index Maturity" for any floating rate Note is the period of maturity of the instrument or obligation from which the Underlying Asset or base rate is calculated.

CERTAIN FEATURES OF THE NOTES

To the extent the amounts payable on the Notes are based on a Underlying Asset or formula other than the rates or formulas described in this Product Supplement, the terms of this Product Supplement will be amended in the applicable Supplement to account for such Underlying Asset or formula.

Your Notes may incorporate several or none of these features or additional features which will be specified in the applicable Supplement.

Bull Notes

"Bull Notes" are offerings where the payment at maturity and/or Coupon Payments are linked to the increase in the level, value or price of the Underlying Asset. Unless otherwise specified in the applicable Supplement, the Notes will be Bull Notes.

Bear Notes

"Bear Notes" are offerings where the payment at maturity and/or Coupon Payments are linked to the decrease in the level, value or price of the Underlying Asset.

Digital Notes

Whether a coupon, principal or other amounts are payable on "Digital Notes" depends on whether the Underlying Asset has achieved certain levels, values or prices set forth in the applicable Supplement, however, the amount of the payments, if any, may or may not be dependent on the Underlying Asset. For example, if the Final Price of the Underlying Asset is greater than the Initial Price of the Underlying Asset, the Coupon Payment you receive with respect to the Notes and the principal payment you receive at maturity will be a fixed amount and not reflect the performance of the Underlying Asset. Under no circumstances, regardless of the extent to which the value of the Underlying Asset appreciates, will your return exceed the applicable interest rate. In this example, if the Underlying Asset has appreciated by 50% as of the Final Valuation Date, you will receive only your principal amount plus the applicable Coupon Payments made at maturity on the Notes. You may earn significantly less by investing in Digital Notes than you would have earned by investing directly in the Underlying Asset.

Rate Cut-off

The "Rate Cut-Off Period" is the specified period during which coupon accrues on the Notes immediately prior to an Interest Payment Date, to but excluding the Interest Payment Date. The Underlying Asset for purposes of determining the amount payable for each day during the Rate Cut-Off period will be set a specified number of Business Days prior to the related Interest Payment Date using the applicable coupon rate immediately preceding the start of the Rate Cut-Off Period, and will remain in effect until the related Interest Payment Date.

Coupon Conversion Right

A "Coupon Conversion Right" will allow us to elect to convert all of your Notes on a "Conversion Rate" so that instead of accruing interest, the Notes will pay interest periodically at the interest rate on each Interest Payment Date following the Conversion Date.

Inverse Floating Rates

Any floating rate may be designated in the applicable Supplement as an inverse floating rate. In that case, unless otherwise specified in the applicable Supplement, the interest rate on the floating rate Note will be equal to:

(a) the Initial Interest Rate or another fixed rate of interest specified in the applicable Supplement for the period commencing on the original issue date, or the date on which the Note otherwise begins to accrue interest if different from the original issue date, up to the first Interest Reset Date; and

(b) a fixed rate of interest specified in the applicable Supplement minus the interest rate determined by the reference rate(s) as adjusted by any multiplier for the period commencing on an Interest Reset Date.

Commencing on the first Interest Reset Date, the rate at which interest on the Inverse Floating Rate Note is payable will be reset as of each Interest Reset Date.

The interest rate will be determined in accordance with the applicable provisions below. The interest rate in effect on each day will be based on:

- if the day is an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the applicable Interest Reset Date; or
- if the day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the most recent Interest Reset Date.

Maximum Return, Maximum Rate, Ceiling or Cap

The principal, coupon or any other amounts payable on the Notes may be subject to a "Maximum Return", "Maximum Rate", "Ceiling" or a "Cap" limiting the rate of return or coupon, which may accrue during the term of the Notes or during any Coupon Payment period.

Minimum Rate or Floor

The principal, interest or any other amounts payable on the Notes may be subject to a "Minimum Rate" or "Floor" guaranteeing a minimum rate of return or interest, which may accrue during the term of the Notes or during any Interest Payment Period.

Spread

The "Spread" is the number of basis points (where one basis point equals one one-hundredth of a percentage point) which may be specified in the applicable Supplement to be added to or subtracted from the Underlying Asset value or other formula. The Spread may also be expressed as a percentage where one percentage point is 100 basis points.

Multiplier

The "Multiplier" is the number of basis points or percentage points which may be specified in the applicable Supplement to be multiplied by the Underlying Asset value or formula.

Ranges or Range Accruals

"Ranges" or "Range Accruals" are structures where the principal, coupon or any other amounts payable on the Notes only accrue if the level, value or price of an Underlying Asset is within a specified "range" or above or below a certain threshold value.

Upside Leverage Factor or Participation Rate

The principal, coupon or any other amounts payable on the Notes may be subject to an "Upside Leverage Factor" or "Participation Rate", which will have the effect of increasing your participation in the possible return, if any, on the Notes. The Upside Leverage Factor or Participation Rate may or may not be expressed as a percentage (*i.e.*, expressed as 250% or 2.50).

We refer to an Upside Leverage Factor or Participation Rate that is less than 100% or 1.00 as a "Drag Leverage Factor".

Downside Leverage Factor

The principal, coupon or any other amounts payable on the Notes may be subject to a "Downside Leverage Factor", which will have the effect of increasing your participation on the possible negative return, if any, on the Notes. As a result, small negative changes in the Underlying Asset will be magnified and have a greater effect than Notes without a Downside Leverage Factor. The Downside Leverage Factor may or may not be expressed as a percentage (*i.e.*, expressed as 125% or 1.25).

Barrier Percentage, Barrier Level or Protection Level, Protection Price, or Protection Price Level

The principal, coupon or any other amounts payable on the Notes may be subject to a "Barrier Percentage". Payment at maturity will be contingent upon whether the Closing Level of the Underlying Asset declines and falls below a level equal to the product of the Initial Level and Barrier Percentage (the Barrier Percentage is also referred to as the "Barrier Level" or "Barrier Price") at any time from and including the issue date to and including the Final Valuation Date. The amount you receive may depend on whether the Closing Level ever fell below the Barrier Level during the term of the Notes. We may also use the term "Protection Level", "Protection Price", and "Protection Price Level" which is equal to the product of the Initial Price multiplied by the Protection Level.

Buffer Percentage or Buffer Level

The principal payment at maturity may be fully protected against a decline in the Underlying Asset up to a "Buffer Percentage" or "Buffer Level". In a Bull Note, if the performance of the Underlying Asset, as calculated on the Final Valuation Date, is greater than or equal to the Buffer Percentage, your principal is fully protected. Your principal is fully exposed to any decline in the Underlying Asset below the Buffer Percentage. For every 1% decline of the Underlying Asset beyond the Buffer Percentage, you will lose an amount equal to 1% of the principal amount of your Notes multiplied by the Downside Leverage Factor, if any.

Strike Level

The "Strike Level" is a level other than the Initial Level used to calculate the performance of the Underlying Asset.

Initial Basket Level, Initial Level or Initial Price

The "Initial Basket Level", "Initial Level" or "Initial Price" is the Closing Level or Closing Price of the Underlying Asset on the Initial Valuation Date or other date as specified in the applicable Supplement.

Final Level or Final Price

The "Final Level" or "Final Price" is the Closing Level or Closing Price of the Underlying Asset on the Final Valuation Date or the arithmetic average of the Closing Levels or Prices of the Underlying Asset on each of the Valuation Dates or any other date or dates specified in the Supplement.

Closing Level or Closing Price

The "Closing Level" or "Closing Price" on any day during the term of the Notes will be the closing level of the Underlying Asset as determined by the Calculation Agent based upon the determinations with respect thereto made by the related Sponsor.

Initial Valuation Date, Initial Observation Date or Initial Averaging Date

The Initial Level or Initial Price may be calculated or based on one or more dates, the "Initial Valuation Date", "Initial Observation Date" or the "Initial Averaging Date" which will be the first Valuation Date, Observation Date or Averaging Date, respectively. The Initial Valuation Date, Initial Observation Date or Initial Averaging Date will be the date stated in the applicable Supplement. For purposes of this Product Supplement, the Initial Valuation Date, Initial Observation Date and Initial Averaging Date shall herein be collectively referred to as the "Initial Valuation Date".

Valuation Dates, Observation Dates, Averaging Dates, or Observation Period

The Final Level or Final Price may be calculated or based on more than one date, the "Observation Dates", "Valuation Dates", "Averaging Dates", or "Observation Period". Each date or dates will be the date stated in the applicable Supplement, unless the Calculation Agent determines that a Market Disruption Event occurs or is continuing on any respective day. In that event, the Valuation Date, Observation Date or Averaging Date will be postponed as described under "Underlying Assets—Securities or Linked Shares—Market Disruption Events for Notes Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset" with respect to Underlying Assets comprised of an equity security or interests in exchange-traded funds, "Underlying Assets–-Indices—Market Disruption Events for Notes with the Underlying Asset Comprised of an Index or Indices" with respect to Underlying Assets comprised of an index, "Underlying Assets—Commodities—Market Disruption Events Relating to Notes with a Commodity as the Underlying Asset" with respect to Underlying Assets comprised of a commodity and "Underlying Assets—Currency Exchange Rates—Market Disruption Events Relating to Notes with the Underlying Asset Comprised of a Currency Exchange Rate or Currency Exchange Rates" with respect to Underlying Assets comprised of a currency exchange rate.

Where the Underlying Asset is comprised of a floating interest rate, the Calculation Agent shall calculate the level, value or price for a disrupted Valuation Date, Observation Date or Averaging Date as described under "Underlying Assets—Floating Interest Rate—Market Disruption Event Relating to Notes with a Floating Interest Rate as the Underlying Asset".

For purposes of this Product Supplement, Valuation Dates, Observation Dates and Averaging Dates shall be collectively referred to as "Valuation Dates".

Final Valuation Date, Final Observation Date or Final Averaging Date

The Final Level or Final Price may be calculated or based on one or more dates, the "Final Valuation Date", "Final Observation Date" or the "Final Averaging Date" which will be the last Valuation Date, Observation Date or Averaging Date, respectively. The Final Valuation Date, Final Observation Date or Final Averaging Date will be the date stated in the applicable Supplement, unless the Calculation Agent determines that a Market Disruption Event occurs or is continuing on that day. In that event, the Final Valuation Date, Final Observation Date or Final Averaging Date will be postponed as described under "Underlying Assets—Securities or Linked Shares—Market Disruption Events for Notes Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset" with respect to Underlying Assets comprised of an equity security or interests in exchange-traded funds, "Underlying Assets—Indices—Market Disruption Events for Notes with the Underlying Asset Comprised of an Index or Indices" with respect to Underlying Assets comprised of an index, "Underlying Assets—Commodities—Market Disruption Events Relating to Notes with a Commodity as the Underlying Asset" with respect to Underlying Assets comprised of a commodity and "Underlying Assets—Currency Exchange Rates—Market Disruption Events Relating to Notes with the Underlying Asset Comprised of a Currency Exchange Rate or Currency Exchange Rates" with respect to Underlying Assets comprised of a currency exchange rate.

Where the Underlying Asset is comprised of a floating interest rate, the Calculation Agent shall calculate the Final Level, value or price for a disrupted Valuation Date, Observation Date or Averaging Date as described under "Underlying Assets—Floating Interest Rate—Market Disruption Event Relating to Notes with a Floating Interest Rate as the Underlying Asset".

For purposes of this Product Supplement, the Final Valuation Date, Final Observation Date and Final Averaging Date shall herein be collectively referred to as the "Final Valuation Date".

Issuer Fee

The "Issuer Fee" equals an annual percentage multiplied by the number of years in the term of the Notes, applied to the principal amount of the Notes with daily accrual.

Basket Return or Basket Performance

The "Basket Return" or "Basket Performance" is the performance of a basket of Underlying Assets, calculated as the percentage change in the Final Basket Level as compared to the Initial Basket Level or Strike Basket Level.

Strike Basket Level

The "Strike Basket Level" is a level other than the Initial Basket Level used to calculate the Basket Return.

Basket Level

The "Basket Level" is a function of the levels, values or prices of each component in the basket and will be determined by a formula set forth in the applicable Supplement.

Final Basket Level

The "Final Basket Level" is the Basket Level on the Basket Final Valuation Date or the arithmetic average of the Basket Levels on each of the Basket Valuation Dates or any other date or dates as specified in the Supplement.

Basket Valuation Dates, Basket Observation Dates or Basket Averaging Dates

The Final Basket Level may be calculated or based on more than one date, the "Basket Valuation Dates", "Basket Observation Dates" or "Basket Averaging Dates". Each date will be the date stated in the applicable Supplement, unless the Calculation Agent determines that a Market Disruption Event occurs or is continuing on any respective day. In that event, the "Basket Valuation Dates", "Basket Observation Dates" or "Basket Averaging Dates" will be postponed as described under "Underlying Assets—Baskets—Market Disruption Events for Notes with the Underlying Asset Comprised of a Basket of Multiple Indices, Equity Securities, Foreign Currencies, Interest Rates, Commodities, Any Other Assets or Any Combination Thereof".

For purposes of this Product Supplement, Basket Valuation Dates, Basket Observation Dates and Basket Averaging Dates shall herein be collectively referred to as "Basket Valuation Dates".

Basket Final Valuation Date, Basket Final Observation Date or Basket Final Averaging Date

The last Basket Valuation Date, Basket Observation Date or Averaging Date will be referred to as the "Basket Final Valuation Date", "Basket Final Observation Date" or "Basket Final Averaging Date", respectively, and will be the date stated in the applicable Supplement, unless the Calculation Agent determines that a Market Disruption Event occurs or is continuing on that day. In that event, the "Basket Final Valuation Date", "Basket Final Observation Date" or "Basket Final Averaging Date" will be postponed as described under "Underlying Assets—Baskets—Market Disruption Events for Notes with the Underlying Asset Comprised of a Basket of Multiple Indices, Equity Securities, Foreign Currencies, Interest Rates, Commodities, Any Other Assets or Any Combination Thereof".

For purposes of this Product Supplement, the Basket Final Valuation Date, Basket Final Observation Date and Basket Final Averaging Date shall herein be collectively referred to as the "Basket Final Valuation Date".

Underlying Asset Performance

The "Underlying Asset Performance" is equal to the Final Level divided by the Initial Level, expressed as a percentage.

Lesser Return

If specified in the applicable Supplement, the payment at maturity and/or Coupon Payments will be linked to the performance of the Underlying Asset with the lowest return in a group of two or more Underlying Assets (the "Lesser Return").

Worst Performing Underlying Asset or Lesser Performing Underlying Asset

The "Worst Performing Underlying Asset" or "Lesser Performing Underlying Asset" is the Underlying Asset with the Lesser Return.

Knock-Out Event

A "Knock-Out Event" occurs if the Closing Level or Closing Price, during the period specified in the applicable Supplement, for any Underlying Asset is greater than the Upper Knock-Out Level or less than the Lower Knock-Out Level.

Upper Knock-Out Level or Lower Knock-Out Level

The "Upper Knock-Out Level" or "Lower Knock-Out Level" is a percentage, as specified in the applicable Supplement, of the Initial Level or Initial Price for an Underlying Asset.

Absolute Performance

For an Underlying Asset, is equal to the quotient, expressed as a percentage, of (i) the absolute value of the difference of (x) the Final Level or Final Price for an Underlying Asset minus (y) the Initial Level or Initial Price for such Underlying Asset, divided by (ii) the Initial Level or Initial Price for such Underlying Asset. For example, a percentage change of -14.75% will equal an Absolute Performance of 14.75%.

Exchangeable Notes

We may issue Notes, referred to as "Exchangeable Notes", that are optionally or mandatorily exchangeable into cash or property. The Exchangeable Notes may or may not bear interest or be issued with original issue discount or at a premium. Exercise of the repayment option by the holder of a Note will be irrevocable.

Optionally Exchangeable Notes. The holder of an Exchangeable Note may, during a period, or at a specific time or times, require us to repay the Note for cash at a specified price.

Mandatorily Exchangeable Notes. The holder of a Mandatorily Exchangeable Note must exchange the Note for specified property at a specified rate of exchange, and therefore, depending upon the value of the specified property at maturity, the holder of a Mandatorily Exchangeable Note may receive less than the principal amount of the Note at maturity. If so indicated in the applicable Supplement, the specified rate at which a Mandatorily Exchangeable Note may be exchanged may vary depending on the value of specified property. Mandatorily Exchangeable Notes may include Notes where we have the right, but not the obligation, to require holders of Notes to exchange their Notes for the specified property.

Payment Upon Exchange. The applicable Supplement will specify whether upon exchange, at maturity or otherwise, the holder of an Exchangeable Note may receive, at the specified currency exchange rate, either the specified property or the cash value of the specified property. The specified property may be the securities of either U.S. or foreign entities or both. The Exchangeable Notes may or may not provide for protection against fluctuations in the currency exchange rate between the currency in which that Note is denominated and the currency or currencies in which the market prices of the specified property are quoted. Exchangeable Notes may have other terms and will be specified in the applicable Supplement.

Extendible Maturity Date

We may offer Notes which will mature on an initial Maturity Date specified in the applicable Supplement, unless the holder extends the term of the Note at its option for the period or periods specified in the applicable Supplement. The extension may be made on the initial "Renewal Date", which will be the Interest Payment Date so specified in the applicable Supplement, prior to the initial Maturity Date of the Note. Subsequent Renewal Dates will be specified in the applicable Supplement. Despite the foregoing, the term of the Extendible Note may not be extended beyond the final Maturity Date specified in the applicable Supplement.

If a holder does not elect to extend the term of any portion of the principal amount of an Extendible Note during the specified period prior to any Renewal Date, that portion will become due and payable on the existing Maturity Date.

An election to renew the term of an Extendible Note may be made by delivering a notice to that effect to the trustee or any duly appointed paying agent at the corporate trust office of the trustee or agency of the trustee in New York City. The notice must be delivered not less than three nor more than 15 days prior to the Renewal Date (unless another period is specified in the applicable Supplement as the notice period). The election will be irrevocable and will be binding upon each subsequent holder of the Extendible Note.

An election to renew the term of an Extendible Note may be exercised for less than the entire principal amount of the Extendible Note only if so specified in the applicable Supplement and only in the amount, or any integral multiple in excess of that amount, that is specified in the applicable Supplement.

If the holder does not elect to renew the term, a new Note will be issued in exchange for the Extendible Note on the extension date. If the Extendible Note is a certificate issued in definitive form, it must be presented to the trustee as soon as practicable following receipt of the new Note. The new Note will be in a principal amount equal to the principal amount of the exchanged Extendible Note for which no election to renew the term was exercised, with terms identical to those specified on the Extendible Note. However, the Note will have a fixed stated maturity on then-existing Maturity Date.

If an election to renew is made for less than the full principal amount of a holder's Extendible Note, the trustee, or any duly appointed paying agent, will issue in exchange for the Note in the name of the holder, a replacement Extendible Note. The replacement Extendible Note will be in a principal amount equal to the principal amount elected to be renewed of the exchanged Extendible Note, with terms otherwise identical to the exchanged Extendible Note.

If a Note is represented by a global security, DTC's nominee will be the holder of the Note and, therefore, will be the only entity that can exercise a right to extend a Note. In order to ensure that DTC's nominee will timely exercise an extension right relating to a particular Note, the beneficial owner of the Note must instruct the broker or other direct or indirect participant through which it holds an interest in the Note to notify DTC of its desire to exercise an extension right. Different firms have different cut-off times for accepting instructions from their customers. Accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a Note in order to ascertain the cut-off time by which that type of instruction must be given for timely notice to be delivered to DTC.

Autocallable Notes

The applicable Supplement will indicate the terms of our option, if any, to call or redeem the Notes, in whole or in part. We will notify each holder, or in the case of Global Notes, the depositary, as holder of the Global Notes within the notice period for the call or redemption specified in the applicable Supplement. See "Terms of the Notes—Redemption and Repurchase".

Automatic Call

If specified in the applicable Supplement, the Notes will be automatically "Callable" or "Redeemable". If the level of the Underlying Asset on any Review Date is equal to or greater than the Call Level, the autocallable Notes will automatically be redeemed for a cash payment as detailed in the applicable Supplement.

Call Level

The "Call Level" is the minimum level of the Underlying Asset which triggers an automatic call on a Review Date and payment of the applicable Call Premium.

Call Premium, Call Price and Redemption Price

The "Call Premium", Call Price or Redemption Price is the additional amount which we will pay you if the Notes are called or redeemed. The Call Premium can be expressed as a percentage and will be specified in the applicable Supplement.

The "Call Price" or "Redemption Price" is the aggregate amount, including the Call Premium, if any, which we will pay you if the Notes are called or redeemed. The Call Price or Redemption Price can be expressed as a percentage and will be specified in the applicable Supplement.

If the Notes are automatically called, payment will be made on the fifth Business Day after the applicable Review Date, subject to postponement in the event of certain Market Disruption Events. If the Notes are automatically called on the last Review Date, we will redeem each Note and pay you on the Maturity Date.

The applicable Supplement will indicate the Call Premium, if any, the Call Price, the Review Dates, the Optional Call Dates or the Optional Redemption Dates and the respective Business Day Convention(s).

Review Dates

If the Notes are automatically Callable, the Review Dates will be detailed in the applicable Supplement and are subject to postponement in the event of certain Market Disruption Events.

If a Review Date (including the final Review Date) is not a Business Day or if there is a Market Disruption Event on that day, the applicable Review Date will be the first Following Business Day on which the Calculation Agent determines that a Market Disruption Event does not occur and is not continuing. In no event, however, will the Review Date be postponed by more than five Business Days. If the Closing Level or Closing Price of the Underlying Asset is not available on the last possible Review Date either because of a Market Disruption Event or for any other reason, the Calculation Agent will make an estimate of the Closing Level or Closing Price for each Underlying Asset for that Review Date that would have prevailed in the absence of the Market Disruption Event.

If, due to a Market Disruption Event or otherwise, a Review Date (other than the final Review Date) is postponed so that it falls less than five Business Days prior to the scheduled Optional Call Dates or Optional Redemption Dates, the date on which the Call Price for that Review Date will be paid, if any, will be the fifth Business Day following the Review Date as postponed, unless otherwise specified in the applicable Supplement.

Optional Call Dates or Optional Redemption Dates

We, at our election, may call or redeem the Notes in whole or in part on any Optional Call Date or any Optional Redemption Date. The applicable Supplement will indicate the Optional Call Dates or the Optional Redemption Dates and the respective Business Day Convention.

Reverse Convertible Notes

No Principal Protection

If the Notes are "Reverse Convertible Notes", the principal amount of your investment is not protected and you may receive less, and possibly significantly less, than the amount you invested. The amount of the principal payment at maturity will depend on two variables: (i) the price or level of the Underlying Asset; and (ii) the relationship between the Final Price and the Initial Price of the Underlying Asset.

You will receive 100% of your principal at maturity if, either of the following is true: (i) the Final Price or Final Level is equal to or greater than the Initial Price or Initial Level of the Underlying Asset; or (ii) the price or level of the Underlying Asset on any day never falls below the Protection Price during the term of the Notes.

However, the Notes will not be principal protected if both of the following are true: (i) the Final Price or Final Level is less than the Initial Price or Initial Level of the Underlying Asset; and (ii) the price of the Underlying Asset on any day falls below the Protection Price during the term of the Notes. If both of those conditions are true, the principal amount of your investment will not be protected and you will receive less, and possibly significantly less, than the amount you invested.

Payment at Maturity

Your payment at maturity for each Note you hold will depend on the performance of the Underlying Asset between the Initial Valuation Date and the Final Valuation Date, inclusive. You will receive the full principal amount of your Notes at maturity unless: (a) the Final Price of the Underlying Asset is lower than the Initial Price of the Underlying Asset and (b) between the Initial Valuation Date and the Final Valuation Date, inclusive, the price of the Underlying Asset on any day is below the Protection Price. If the conditions described in (a) and (b) are both true, at maturity you will receive at our election, instead of the principal amount of your Notes, either (i) the Physical Delivery Amount of the Underlying Asset (Fractional Shares to be paid in cash in an amount equal to the Fractional Shares multiplied by the Final Price), or (ii) a cash amount equal to the principal amount you invested reduced by the percentage decrease in the Underlying Asset; *provided that* the election of clause (i) is only available if the Underlying Asset is a security, or Linked Shares. See "Underlying Assets—Securities or Linked Shares" below.

In the event that the Maturity Date is postponed as described under "Terms of the Notes—Maturity Date" above, the related payment of principal will be made on the postponed Maturity Date.

You may lose some or all of your principal if you invest in Reverse Convertible Notes.

Physical Delivery Amount

If the payment at maturity is in Linked Shares, the number of shares received is referred to as the "Physical Delivery Amount" (Fractional Shares to be paid in cash). The Physical Delivery Amount will be calculated by the Calculation Agent by dividing the principal amount of your Notes by the Initial Price of the Linked Shares, rounded down to the nearest whole number (the amount by which such quotient is rounded down is the "Fractional Share"). The "Fractional Share Amount" will be paid in cash and is equal to the product of the Fractional Share multiplied by the Final Price, rounded down to the nearest cent. The Physical Delivery Amount, the Initial Price of the Linked Shares and other amounts may change due to stock splits or other corporate actions. See "Underlying Assets—Securities or Linked Shares—Share Adjustments Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset—Antidilution Adjustments" below.

UNDERLYING ASSETS

Fixed Income

Fixed Interest Rate

If the applicable Notes have a fixed interest rate, the Notes for that particular offering will bear interest from and including the original issue date or any other date specified in the applicable Supplement at the annual rate stated in the applicable Supplement until the principal is paid or made available for payment.

Floating Interest Rate

If the applicable Notes have a floating interest rate, the Notes for that particular offering will bear interest at a floating rate determined by reference to an interest rate or interest rate formula. The Underlying Asset may be one or more of the following:

- the CD Rate,
- the CMS Rate,
- the CMT Rate,
- the Commercial Paper Rate,
- the Consumer Price Index,
- the Eleventh District Cost of Funds Rate,
- EURIBOR,
- the Federal Funds (Effective) Rate,
- the Federal Funds (Open) Rate,
- LIBOR,
- the Prime Rate,

- the SIFMA Rate
- the Treasury Rate,
- a combination of any, or
- any other rate or interest rate formula specified in the applicable Supplement and in the floating rate note.

CD Rate

The "CD Rate" means, for any Interest Determination Date, the rate on that date for negotiable U.S. dollar certificates of deposit having the Index Maturity specified in the applicable Supplement as published by the Board of Governors of the Federal Reserve System in "Statistical Release H.15(519), Selected Interest Rates", or any successor publication of the Board of Governors of the Federal Reserve System ("H.15(519)") under the heading "CDs (Secondary Market)".

The following procedures will be followed if the CD Rate cannot be determined as described above:

- If the above rate is not published in H.15(519) by 3:00 p.m., New York City time, on the Interest Determination Date, the CD Rate will be the rate on that Interest Determination Date set forth in the daily update of H.15(519), available through the world wide website of the Board of Governors of the Federal Reserve System, or any successor site or publication, which is commonly referred to as the "H.15 Daily Update", for the Interest Determination Date for certificates of deposit having the Index Maturity specified in the applicable Supplement , under the caption "CDs (Secondary Market)".
- If the above rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 p.m., New York City time, on the Interest Determination Date, the Calculation Agent will determine the CD Rate to be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on that Interest Determination Date of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City, which may include the agent and its affiliates, selected by the Calculation Agent, after consultation with us, for negotiable U.S. dollar certificates of deposit of major U.S. money center banks of the highest credit standing in the market for negotiable certificates of deposit with a remaining maturity closest to the Index Maturity specified in the applicable Supplement in an amount that is representative for a single transaction in that market at that time.
- If the dealers selected by the Calculation Agent are not quoting as set forth above, the CD Rate for that Interest Determination Date will remain the CD Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

CMS Rate

The "CMS Rate" means, on any day during an Interest Payment Period, the rate for U.S. dollar swaps with a maturity for a specified number of years, expressed as a percentage in the applicable Supplement, which appears on Reuters Screen "ISDAFIX1" page as of 11:00 a.m., New York City time, on the related Interest Determination Date.

The following procedures will be used if the CMS Rate cannot be determined as described above:

- If the above rate is no longer displayed on the relevant page, or if not displayed by 11:00 a.m., New York City time, on the Interest Determination Date, then the CMS Rate will be the rate for U.S. dollar swaps with a maturity of the Notes designated in the applicable Supplement, expressed as a percentage, which appears on the Reuters Screen "ISDAFIX1" page as of 11:00 a.m., New York City time, on the Interest Determination Date.
- If that information is no longer displayed by 11:00 a.m., New York City time, on the Interest Determination Date, then the CMS Rate will be a percentage determined on the basis of the mid-market, semi-annual swap rate quotations provided by five leading swap dealers in the New York City interbank market at

approximately 11:00 a.m., New York City time, on the Interest Determination Date. For this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the maturity of the Notes designated in the applicable Supplement commencing on that Interest Determination Date with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/ 360 day count basis, is equivalent to "LIBOR Moneyline Telerate" with a maturity of three months. The Calculation Agent will select the five swap dealers after consultation with us and will request the principal New York City office of each of those dealers to provide a quotation of its rate. If at least three quotations are provided, the CMS Rate for that Interest Determination Date will be the arithmetic mean of the quotations, eliminating the highest and lowest quotations or, in the event of equality, one of the highest and one of the lowest quotations.

- If fewer than three leading swap dealers selected by the Calculation Agent are quoting as described above, the CMS Rate will remain the CMS Rate in effect on that Interest Determination Date or, if that Interest Determination Date is the first Interest Determination Date, the Initial Interest Rate.

CMT Rate

The "CMT Rate" means, for any Interest Determination Date, the rate as set forth in H.15(519) as defined below, under the caption "Treasury Constant Maturities", for:

- the rate on that Interest Determination Date, if the Designated CMT Telerate page, as defined below, is 7051; and

- the week or the month, as applicable, ended immediately preceding the week in which the related Interest Determination Date occurs, if the Designated CMT Telerate page is 7052.

CMT Rates are yields interpolated by the United State Department of the Treasury from its daily yield curve. That yield curve, which relates to the yield on a U.S. Treasury security to its time to maturity, is based on the closing market bid yields on actively traded U.S. Treasury securities in the over-the-counter market. These market yields are calculated from composites of quotations obtained by the Federal Reserve Bank of New York. The yield values are read from the yield curve at fixed maturities. This method provides yields for a 2-year maturity, for example, even if no outstanding U.S. Treasury security has exactly 2 years remaining to maturity.

"USD-CMT-T7051" means that the rate for the Interest Determination Date will be a percentage equal to the yield for U.S. Treasury securities at "Constant Maturity" for a period of "Designated Maturity", as specified in the applicable Supplement, and for that Interest Determination Date as set forth in H.15(519) under the caption "Treasury Constant Maturities", as that yield is displayed on the Telerate page 7051 for the Interest Determination Date on the day that is two U.S. Government Securities Business Days prior to that Interest Determination Date. A "U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Bond Market Association (or its successor) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities. If that rate does not appear on the Telerate page 7051, the rate for that Interest Determination Date will be a percentage equal to the yield for U.S. Treasury securities at "Constant Maturity" for a period of the Designated Maturity and for that Interest Determination Date as set forth in H.15(519) under the caption "Treasury Constant Maturities". If that rate does not appear in H.15(519), the rate for that Interest Determination Date will be the rate for a period of the Designated Maturity as may then be published by either the Federal Reserve System Board of Governors or the U.S. Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15-519.

"1-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 1 year.

"2-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 2 years.

"3-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 3 years.

"5-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 5 years.

"7-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 7 years.

"10-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 10 years.

"20-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 20 years.

"30-Year CMT Rate" means the USD-CMT-T7051 Rate with a Designated Maturity of 30 years.

The following procedures will be followed if the CMT Rate cannot be determined as described above:

- If the CMT Rate is not displayed on the relevant page by 3:30 p.m., New York City time on the related Interest Determination Date, then the CMT Rate will be a percentage equal to the yield for U.S. Treasury securities at "Constant Maturity" for the Designated CMT Maturity Index on the related Interest Determination Date as set forth in H.15(519) under the caption "Treasury Constant Maturities".

- If the applicable rate described above does not appear in H.15(519) then the CMT Rate on the related Interest Determination Date will be the rate for the Designated CMT Maturity Index as may then be published by either the Board of Governors of the Federal Reserve System or the U.S. Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate page and published in the relevant H.15(519).

- If on the related Interest Determination Date, neither the Board of Governors of the Federal Reserve System nor the U.S. Department of the Treasury publishes a yield on U.S. Treasury securities at a "Constant Maturity" for the Designated CMT Maturity Index, the CMT Rate on the related Interest Determination Date will be calculated by the Calculation Agent and will be a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the related Interest Determination Date, of three leading primary U.S. government securities dealers in New York City. The Calculation Agent will select five such securities dealers, and will eliminate the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest), for U.S. Treasury securities with an original maturity equal to the Designated CMT Maturity Index, a remaining term to maturity of no more than one year shorter than that Designated CMT Maturity Index and in a principal amount equal to the Representative Amount. If two bid prices with an original maturity as described above have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the U.S. Treasury security with the shorter remaining term to maturity will be used. The "Representative Amount" means an amount equal to the outstanding principal amount of the Notes.

- If fewer than five but more than two such prices are provided as requested, the CMT Rate for the related Interest Determination Date will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of those quotations will be eliminated.

- If the Calculation Agent cannot obtain three U.S. Treasury securities quotations of the kind requested in the prior two paragraphs, the Calculation Agent will determine the CMT Rate to be the yield to maturity based on the arithmetic mean of the secondary market bid prices for U.S. Treasury securities, at approximately 3:30 p.m., New York City time, on the related Interest Determination Date of three leading primary U.S. government securities dealers in New York City. In selecting these bid prices, the Calculation Agent will request quotations from at least five of those securities dealers and will disregard the highest quotation (or if there is equality, one of the highest) and the lowest quotation (or if there is equality, one of the lowest) for U.S. Treasury securities with an original maturity greater than the Designated CMT Maturity Index, a remaining term to maturity closest to the Designated CMT Maturity Index and in a Representative Amount. If two U.S. Treasury securities with an original maturity longer than the Designated CMT Maturity Index have remaining terms to maturity that are equally close to the Designated CMT Maturity Index, the Calculation Agent will obtain quotations for the U.S. Treasury security with the shorter remaining term to maturity.

- If fewer than five but more than two of the leading primary U.S. government securities dealers provide quotes as described in the prior paragraph, then the CMT Rate will be based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of those quotations will be eliminated.

- If fewer than three leading primary U.S. government securities reference dealers selected by the Calculation Agent provide quotes as described above, the CMT Rate will be determined by the Calculation Agent.

"Designated CMT Telerate page" means the display on Moneyline Telerate, or any successor service, on the page designated in the applicable Supplement or any other page as may replace that page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no page is specified in the applicable Supplement the Designated CMT Telerate page will be 7052 for the most recent week.

"H.15(519)" means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System, available through the world-wide-web site of the Board of Governors of the Federal Reserve System at http://www.federalreserve.gov/releases/H15/ or any successor site or publication. We make no representation or warranty as to the accuracy or completeness of the information displayed on that website, and that information is not incorporated by reference herein and should not be considered a part of this Product Supplement.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury securities, which is either 1, 2, 3, 5, 7, 10, 20 or 30 years, specified in the applicable Supplement for which the CMT Rate will be calculated. If no maturity is specified in the applicable Supplement the Designated CMT Maturity Index will be two years.

Commercial Paper Rate

The "Commercial Paper Rate" means, for any Interest Determination Date, the Money Market Yield, calculated as described below, of the rate on that date for commercial paper having the Index Maturity specified in the applicable Supplement, as that rate is published in H.15(519), under the heading "Commercial Paper—Nonfinancial".

The following procedures will be followed if the Commercial Paper Rate cannot be determined as described above:

- If the above rate is not published by 3:00 p.m., New York City time, on the Interest Determination Date, then the Commercial Paper Rate will be the Money Market Yield of the rate on that Interest Determination Date for commercial paper of the Index Maturity specified in the applicable Supplement as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Commercial Paper—Nonfinancial".

- If by 3:00 p.m., New York City time, on that Interest Determination Date the rate is not yet published in either H.15(519) or the H.15 Daily Update, then the Calculation Agent will determine the Commercial Paper Rate to be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 a.m., New York City time, on that Interest Determination Date of three leading dealers of U.S. dollar commercial paper in New York City, which may include the agent and its affiliates, selected by the Calculation Agent, after consultation with us, for commercial paper of the Index Maturity specified in the applicable Supplement, placed for an industrial issuer whose bond rating is "AA", or the equivalent, from a nationally recognized statistical rating agency.

- If the dealers selected by the Calculation Agent are not quoting as set forth above, the Commercial Paper Rate for that Interest Determination Date will remain the Commercial Paper Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

The "Money Market Yield" will be a yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{(D \times 360)}{360 - (D \times M)} \times 100$$

where, "D" refers to the applicable per year rate for commercial paper quoted on a bank discount basis and expressed as a decimal and "M" refers to the actual number of days in the Interest Payment Period for which interest is being calculated.

Consumer Price Index

The "Consumer Price Index" or "CPI" means, for any Interest Determination Date, the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics of the U.S. Department of Labor (the "Bureau of Labor Statistics") and reported on Bloomberg ticker "CPURNSA" or any successor service. The Bureau of Labor Statistics makes the majority of its consumer price index data and press releases publicly available immediately at the time of release. This material may be accessed electronically by means of the Bureau of Labor Statistics' home page on the Internet at http://www.bls.gov. We make no representation or warranty as to the accuracy or completeness of the information displayed on that website, and that information is not incorporated by reference herein and should not be considered a part of this Product Supplement. The Consumer Price Index for a particular month is published during the following month. The Consumer Price Index is a measure of the average change in consumer prices over time for a fixed market basket of goods and services, including food, clothing, shelter, fuels, transportation, charges for doctors and dentists services, and drugs. User fees (such as water and sewer service) and sales and excise taxes paid by the consumer are included in determining consumer prices. Income taxes and investment items such as stocks, bonds and life insurance are not included. The Consumer Price Index includes expenditures by urban wage earners and clerical workers, professional, managerial and technical workers, the self-employed, short-term workers, the unemployed, retirees and others not in the labor force. In calculating the Consumer Price Index, price changes for the various items are averaged together with weights that represent their importance in the spending of urban households in the United States. The contents of the market basket of goods and services and the weights assigned to the various items are updated periodically by the Bureau of Labor Statistics to take into account changes in consumer expenditure patterns.

The Consumer Price Index is expressed in relative terms in relation to a time base reference period for which the level is set at 100. The time base reference period is the 1982–1984 average. Because the Consumer Price Index for the period from 1982–1984 is 100, an increase in the price of the fixed market basket of goods and services of 16.5% from that period would be shown as 116.5. If the Bureau of Labor Statistics rebases the Consumer Price Index when the Notes are outstanding, the Calculation Agent will continue to calculate inflation using 1982–1984 as the base reference period for so long as the current Consumer Price Index continues to be published. Any conversion by the Bureau of Labor Statistics to a new reference base will not affect the measurement of the percent changes in a given index series from one time period to another, except for rounding differences. Rebasing might affect the published "headline" number often quoted in the financial press, but the inflation calculation for the Notes should not be adversely affected by any rebasing because the Consumer Price Index based on 1982–1984 will be calculated using the percentage changes of the rebased Consumer Price Index.

The Bureau of Labor Statistics has made technical and methodological changes to the Consumer Price Index, and is likely to continue to do so. Examples of recent methodological changes include:

- the use of regression models to adjust for improvements in the quality of various goods (televisions, personal computers, etc.);
- the introduction of geometric averages to account for consumer substitution within the consumer price index categories; and
- changing the housing/shelter formula to increase rental equivalence estimation.

Similar changes in the future could affect the level of the Consumer Price Index and alter the interest payable on the Notes.

"CPI Performance" means the annual percentage change for a month, as specified in the applicable Supplement, prior to the month of the relevant Interest Payment Date (the "Reference Month").

For example, if the performance of the Consumer Price Index is the annual percentage change in the Consumer Price Index for the third calendar month prior to the Reference Month, then the interest rate payable on June 30, 2006 will reflect the percentage change in the Consumer Price Index from March 2005 to March 2006 plus the applicable Spread, if any. The performance of the Consumer Price Index will be calculated as follows:

$$\text{Interest Rate} = \left(\frac{CPI_F - CPI_I}{CPI_I} \right)$$

where,

CPI_F = CPI for the applicable Reference Month, as published on Bloomberg CPURNSA;

CPI_I = CPI for the twelfth month, or otherwise as specified in the applicable Supplement, prior to the applicable Reference Month, as published on Bloomberg CPURNSA.

Using the example above, if CPI Performance for the second calendar month prior to the Reference Month was used, then the interest rate payable on June 30, 2006 will reflect the percentage change in the Consumer Price Index from April 2005 to April 2006 plus the applicable Spread, if any.

If the performance of the Consumer Price Index for a particular Reference Month is equal to or less than the Spread, you will not receive an interest payment on the corresponding Interest Payment Date. The interest payment on any Interest Payment Date will not be less than 0.00% per annum, unless specified in the applicable Supplement.

The following procedures will be followed if the Consumer Price Index cannot be determined as described above:

- If the Consumer Price Index is not reported on Bloomberg CPURNSA for a particular month by 3:00 PM on the Interest Determination Date, but has otherwise been published by the Bureau of Labor Statistics, the Calculation Agent will determine the Consumer Price Index as published by the Bureau of Labor Statistics for that month using any other source as the Calculation Agent deems appropriate.

- If the Consumer Price Index is rebased to a different year or period, the base reference period will continue to be the 1982-1984 reference period as long as the 1982-1984 Consumer Price Index continues to be published.

- If the Consumer Price Index for the Reference Month is subsequently revised by the Bureau of Labor Statistics, the Calculation Agent will continue to use the Consumer Price Index initially published by the Bureau of Labor Statistics on the Interest Reset Date.

- If, while the Notes are outstanding, the Consumer Price Index is discontinued or substantially altered, as determined by the Calculation Agent, the applicable substitute index for the Notes will be that chosen by the Secretary of the Treasury for the Department of Treasury's Inflation-Linked Treasuries as described at 62 Federal Register 846-874 (January 6, 1997). If none of those securities are outstanding, the Calculation Agent will determine a substitute index for the Notes in accordance with general market practice at the time.

Eleventh District Cost of Funds

The "Eleventh District Cost of Funds Rate" or "COFI" means, for any Interest Determination Date, the rate on the applicable Interest Determination Date equal to the monthly weighted average cost of funds for the calendar month preceding the Interest Determination Date as displayed under the caption "Eleventh District" on Telerate page 7058. "Telerate page 7058" means the display page designated as page 7058 on Moneyline Telerate, or any successor service or page, for the purpose of displaying the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District.

The following procedures will be followed if the Eleventh District Cost of Funds Rate cannot be determined as described above:

- If the above rate is not displayed by 3:00 p.m., New York City time, on the Interest Determination Date for the applicable Interest Determination Date, the Eleventh District Cost of Funds Rate will be the Eleventh District Cost of Funds Rate Index on the applicable Interest Determination Date.

- If the Federal Home Loan Bank of San Francisco fails to announce the rate for the calendar month next preceding the applicable Interest Determination Date, then the Eleventh District Cost of Funds Rate for the new Interest Reset Period will be the same as for the immediately preceding period. If there was no such Interest Reset Period, the Eleventh District Cost of Funds Rate Index will be the Initial Interest Rate.

The "Eleventh District Cost of Funds Rate Index" means the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that the Federal Home Loan Bank of San Francisco most recently announced as the cost of funds for the calendar month preceding the date of the announcement.

EURIBOR

"EURIBOR" means, for any Interest Determination Date, the rate for deposits in euros as sponsored, calculated and published jointly by the European Banking Federation and ACI—The Financial Market Association, or any company established by the joint Sponsors for purposes of compiling and publishing those rates, for the Index Maturity specified in the applicable Supplement as that rate appears on the display on Moneyline Telerate, or any successor service, on page 248 or any other page as may replace page 248 on that service, which is commonly referred to as "Telerate Page 248", as of 11:00 a.m., Brussels time.

The following procedures will be followed if the rate cannot be determined as described above:

- If the above rate does not appear, the Calculation Agent will request the principal Euro-Zone office of each of four major banks in the Euro-Zone interbank market, as selected by the Calculation Agent, after consultation with us, to provide the Calculation Agent with its offered rate for deposits in euros, at approximately 11:00 a.m., Brussels time, on the Interest Determination Date, to prime banks in the Euro-Zone interbank market for the Index Maturity specified in the applicable Supplement commencing on the applicable Interest Reset Date, and in a principal amount not less than the equivalent of U.S. $1 million in euro that is representative of a single transaction in euro, in that market at that time. If at least two quotations are provided, EURIBOR will be the arithmetic mean of those quotations.

- If fewer than two quotations are provided, EURIBOR will be the arithmetic mean of the rates quoted by four major banks in the Euro-Zone interbank market, as selected by the Calculation Agent, after consultation with us, at approximately 11:00 a.m., Brussels time, on the applicable Interest Reset Date for loans in euro to leading European banks for a period of time equivalent to the Index Maturity specified in the applicable Supplement commencing on that Interest Reset Date in a principal amount not less than the equivalent of U.S. $1 million in euro that is representative of a single transaction in euro, in that market at that time.

- If the banks so selected by the Calculation Agent are not quoting as set forth above, EURIBOR for that Interest Determination Date will remain EURIBOR for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

"Euro-Zone" means the region comprising member states of the European Union that have adopted the single currency in accordance with the relevant treaty of the European Union, as amended.

Federal Funds (Effective) Rate

The "Federal Funds (Effective) Rate" means, for any Interest Determination Date, the rate on that date for federal funds as published in H.15(519) under the heading "Federal Funds (Effective)" as displayed on Moneyline Telerate, or any successor service, on page 120 or any other page as may replace the applicable page on that service, which is commonly referred to as "Telerate Page 120".

The following procedures will be followed if the Federal Funds (Effective) Rate cannot be determined as described above:

- If the above rate is not published by 3:00 p.m., New York City time, on the Interest Determination Date, the Federal Funds (Effective) Rate will be the rate on that Interest Determination Date as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the heading "Federal Funds/Effective Rate".

- If the above rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 p.m., New York City time, on the Interest Determination Date, the Calculation Agent will determine the Federal Funds (Effective) Rate to be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds by each of three leading brokers of U.S. dollar federal funds transactions in New York City, which may include the agent and its affiliates, selected by the Calculation Agent, after consultation with us, prior to 9:00 a.m., New York City time, on that Interest Determination Date.

- If the brokers selected by the Calculation Agent are not quoting as set forth above, the federal funds rate for that Interest Determination Date will remain the Federal Funds (Effective) Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

Federal Funds (Open) Rate

The "Federal Funds (Open) Rate" means, for any Interest Determination Date, the rate on that date for federal funds as published in H.15(519) under the heading "Federal Funds" and opposite the caption "Open", as displayed on Moneyline Telerate, or any successor service, on page 5 or any other page as may replace the applicable page on that service, which is commonly referred to as "Telerate Page 5".

The following procedures will be followed if the Federal Funds (Open) Rate cannot be determined as described above:

- If the above rate is not published by 3:00 p.m., New York City time, on the Interest Determination Date, the Federal Funds (Open) Rate will be the rate on that Interest Determination Date as published on Bloomberg, or other recognized electronic source used for the purpose of displaying the applicable rate, on FEDSPREB Index.

- If the above rate is not yet published on either Telerate Page 5 or FEDSPREB Index on Bloomberg by 3:00 p.m., New York City time, on the Interest Determination Date, the Calculation Agent will determine the Federal Funds (Open) Rate to be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds by each of three leading brokers of U.S. dollar federal funds transactions in New York City, which may include the agent and its affiliates, selected by the Calculation Agent, after consultation with us, prior to 9:00 a.m., New York City time, on that Interest Determination Date.

- If the brokers selected by the Calculation Agent are not quoting as set forth above, the federal funds rate for that Interest Determination Date will remain the Federal Funds (Open) Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

LIBOR

Notes having a coupon based on "LIBOR" or the London Interbank Offered Rate will bear interest at the interest rates specified in the applicable Supplement. The Calculation Agent will determine "LIBOR" for each Interest Determination Date as follows:

As of the Interest Determination Date, LIBOR will be either:

- if "LIBOR Reuters" is specified in the applicable Supplement, the arithmetic mean of the offered rates for deposits in the Index Currency having the Index Maturity designated in the applicable Supplement, commencing on the second London banking day immediately following that Interest Determination Date, that appear on the Designated LIBOR page, as defined below, as of 11:00 a.m., London time, on that Interest Determination Date, if at least two offered rates appear on the Designated LIBOR page; except that if the specified Designated LIBOR page, by its terms provides only for a single rate, that single rate will be used; or

- if "LIBOR Telerate" is specified in the applicable Supplement, the rate for deposits in the Index Currency having the Index Maturity designated in the applicable Supplement, commencing on the second London banking day immediately following that Interest Determination Date or, if pounds sterling is the Index Currency, commencing on that Interest Determination Date, that appears on the Designated LIBOR page at approximately 11:00 a.m., London time, on that Interest Determination Date.

  - If (i) fewer than two offered rates appear and "LIBOR Reuters" is specified in the applicable Supplement, or (ii) no rate appears and the applicable Supplement specifies either (a) "LIBOR Telerate" or (b) "LIBOR Reuters" and the Designated LIBOR page by its terms provides only for a single rate, then the Calculation Agent will request the principal London offices of each of four major Reference Banks in the London interbank market, as selected by the Calculation Agent after consultation with us, to provide the Calculation Agent with its offered quotation for deposits in the Index Currency for the period of the Index Maturity specified in the applicable Supplement commencing on the second London banking day immediately following the Interest Determination Date or, if pounds sterling is the Index Currency, commencing on that Interest Determination Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on that Interest Determination Date and in a principal amount that is representative of a single transaction in that Index Currency in that market at that time.

  - If at least two quotations are provided, LIBOR determined on that Interest Determination Date will be the arithmetic mean of those quotations. If fewer than two quotations are provided, LIBOR will be determined for the applicable Interest Reset Date as the arithmetic mean of the rates quoted at approximately 11:00 a.m., London time, or some other time specified in the applicable Supplement, in the applicable principal financial center for the country of the Index Currency on that Interest Reset Date, by three major banks in that principal financial center selected by the Calculation Agent, after consultation with us, for loans in the Index Currency to leading European banks, having the Index Maturity specified in the applicable Supplement and in a principal amount that is representative of a single transaction in that Index Currency in that market at that time.

  - If the banks so selected by the Calculation Agent are not quoting as set forth above, LIBOR for that Interest Determination Date will remain LIBOR for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

The "Index Currency" means the currency specified in the applicable Supplement as the currency for which LIBOR will be calculated, or, if the euro is substituted for that currency, the Index Currency will be the euro. If that currency is not specified in the applicable Supplement, the Index Currency will be U.S. dollars.

"Designated LIBOR page" means either (i) if "LIBOR Reuters" is designated in the applicable Supplement, the display on the Reuters Monitor Money Rates Service for the purpose of displaying the London interbank rates of major banks for the applicable Index Currency or its designated successor, or (ii) if "LIBOR Telerate" is designated in the applicable Supplement, the display on Moneyline Telerate, or any successor service, on the page specified in the applicable Supplement, or any other page as may replace that page on that service, for the purpose of displaying the London interbank rates of major banks for the applicable Index Currency.

"USD-LIBOR-BBA" means that the rate for an Interest Determination Date will be the rate for deposits in U.S. dollars for a period of the "Designated Maturity", specified in the applicable Supplement, which appears on the Telerate page 3750 as of 11:00 a.m., London time, on the day that is two London banking days preceding that Interest Determination Date. If that rate does not appear on the Telerate page 3750, the rate for that Interest Determination Date will be determined as if the parties had specified "USD-LIBOR-Reference Banks" as the applicable floating rate option.

"USD-LIBOR-Reference Banks" means that the rate for a Interest Determination Date will be determined on the basis of the rates at which deposits in U.S. dollars are offered by four major banks in the London interbank market ("Reference Banks") at approximately 11:00 a.m., London time, on the day that is two London banking days preceding that Interest Determination Date to prime banks in the London interbank market for a designated period commencing on that Interest Determination Date and in a designated amount. The Calculation Agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two of those quotations are provided, the rate for that Interest Determination Date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that Interest Determination Date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Calculation Agent, at approximately 11:00 a.m., New York City time, on that Interest Reset Date for loans in U.S. dollars to leading European banks for a designated period commencing on that Interest Determination Date and in a designated amount.

"One-Month LIBOR" means the USD-LIBOR-BBA rate with a Designated Maturity of one month commencing on the Interest Reset Date.

"Three-Month LIBOR" means the USD-LIBOR-BBA rate with a Designated Maturity of three months commencing on the Interest Reset Date.

"Six-Month LIBOR" means the USD-LIBOR-BBA rate with a Designated Maturity of six months commencing on the Interest Reset Date.

"Nine-Month LIBOR" means the USD-LIBOR-BBA rate with a Designated Maturity of nine months commencing on the Interest Reset Date.

"One-Year LIBOR" means the USD-LIBOR-BBA rate with a Designated Maturity of one year commencing on the Interest Reset Date.

"Twenty-Month LIBOR" means the USD-LIBOR-BBA rate with a Designated Maturity of twenty months commencing on the Interest Reset Date.

If neither LIBOR Reuters nor LIBOR Telerate is specified in the applicable Supplement, LIBOR for the applicable Index Currency will be determined as if LIBOR Telerate were specified, and, if the U.S. dollar is the Index Currency, as if page 3750 had been specified.

Prime Rate

The "Prime Rate" means, for any Interest Determination Date, the rate on that date as published in H.15(519) under the heading "Bank Prime Loan".

The following procedures will be followed if the Prime Rate cannot be determined as described above:

- If the above rate is not published prior to 3:00 p.m., New York City time, on the Interest Determination Date, then the Prime Rate will be the rate on that Interest Determination Date as published in H.15 Daily Update under the heading "Bank Prime Loan".

- If the rate is not published in either H.15(519) or the H.15 Daily Update by 3:00 p.m., New York City time, on the Interest Determination Date, then the Calculation Agent will determine the Prime Rate to be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen USPRIME 1 page, as defined below, as that bank's Prime Rate or base lending rate as in effect for that Interest Determination Date.

- If fewer than four rates appear on the Reuters Screen USPRIME 1 page by 3:00 p.m., New York City time, for that Interest Determination Date, the Calculation Agent will determine the Prime Rate to be the arithmetic mean of the Prime Rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on that Interest Determination Date by at least three major banks in New York City, which may include affiliates of the agent, selected by the Calculation Agent, after consultation with us.

- If the banks selected by the Calculation Agent are not quoting as set forth above, the Prime Rate for that Interest Determination Date will remain the Prime Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

"Reuters Screen USPRIME 1 page" means the display designated as page "USPRIME 1" on the Reuters Monitor Money Rates Service, or any successor service, or any other page as may replace the USPRIME 1 page on that service for the purpose of displaying Prime Rates or base lending rates of major U.S. banks.

SIFMA Rate

The SIFMA Rate means, for each Interest Reset Date, the level of the SIFMA Index (as defined below) determined and reported on the Wednesday preceding such Interest Reset Date (or any other day in each week specified by Thomson Municipal Market Data, a Thompson Financial Services Company ("MMD"), or if any such Wednesday is not a U.S. Government Securities Business Day, the next succeeding U.S. Government Securities Business Day). If the SIFMA Rate for any Interest Reset Date is not determined or reported by MMD, the SIFMA Rate for such Interest Reset Date will be the SIFMA Rate in effect on the immediately preceding Interest Reset Date.

The Interest Reset Date, with regards to the SIFMA Rate, means the Thursday of each week (or any other day in each week specified by MMD (or any successor thereof), or if any such Thursday is not a U.S. Government Securities Business Day, the next succeeding U.S. Government Securities Business Day).

The "SIFMA Index" is the Securities Industry and Financial Markets Association Municipal Swap Index (formerly The Bond Market Association Municipal Swap Index) which is produced and reported by MMD, the index sponsor, or any successor. The SIFMA Index is a seven-day high-grade market index composed of tax-exempt variable-rate demand obligations, or "VRDOs", from MMD's database of VRDO issues. In a swap transaction, two counterparties "swap" fixed-rate interest payments for floating-rate interest payments, or vice versa. One of the most critical elements of a swap transaction is the index on which the floating rate is based. The SIFMA Index is intended to serve as a benchmark floating rate in a swap transaction. The SIFMA Index is calculated on a weekly basis, and released to subscribers on Thursday. The actual number of issues that make up the SIFMA Index will vary in time as issues mature or are called, converted, or newly issued. In addition, if changes occur that violate the criteria or calculation methods of the SIFMA Index, an issue will be removed. The qualification criteria for the SIFMA Index have been established by a subcommittee of SIFMA. Typically, the SIFMA Index has included 650 issues in any given week.

To be eligible for inclusion in the SIFMA Index, an issue must meet the following criteria:

- be a weekly reset, effective on Wednesday (no lag resets considered);
- not be subject to alternative minimum tax;
- have an outstanding amount of $10 million or more;
- have the highest short−term rating (VMIG1 by Moody's or A−1+ by S&P); and
- pay interest on a monthly basis, calculated on an actual/actual basis.

In addition, only one quote per obligor per remarketing agent will be included in the SIFMA Index. Issues from all states are eligible for inclusion.

The following are part of calculation methods of the SIFMA Index:

- The standard deviation of the rates is calculated. Any issue falling outside of +/- 1.0 standard deviations is removed.
- Each participating remarketing agent is limited to no more than 15% of the SIFMA Municipal Swap Index by an averaging method.

If MMD discontinues publication of the SIFMA Index and MMD or another entity publishes a successor or substitute index that the Calculation Agent determines, in its sole discretion, to be comparable to the discontinued SIFMA Index, then the SIFMA Rate for each SIFMA Reset Date occurring after such discontinuance will be determined by reference to the level of such successor index. If a successor index is selected, the successor index will be substituted for the SIFMA Index for all purposes. Upon any selection by the Calculation Agent of a successor index, the Calculation Agent will cause written notice thereof to be promptly furnished to the Issuer and to the trustee, which will provide notice to the holders of the Notes.

If MMD discontinues publication of the SIFMA Index and the Calculation Agent determines, in its sole discretion, that no successor index is available, then following such discontinuance until the earlier of (a) the Maturity Date or (b) the date on which the Calculation Agent determines that a successor index is available, the Calculation Agent will determine the SIFMA Rate for each Interest Reset Date occurring after such discontinuance in accordance with the procedures for and method of calculating the SIFMA Index last in effect prior to such discontinuance.

If the SIFMA Rate for any Interest Reset Date is subsequently revised or amended after its publication, such revision or amendment will not be effective for purposes of any calculation with respect to the Notes, except in the event of manifest error (as determined by the Calculation Agent in its sole discretion).

Treasury Rate

The "Treasury Rate" means:

- the rate from the auction held on the applicable Interest Determination Date, which we refer to as the "auction", of direct obligations of the United States, which are commonly referred to as "Treasury Bills", having the Index Maturity specified in the applicable Supplement as that rate appears under the caption "INVESTMENT RATE" on the display on Moneyline Telerate, or any successor service, on page 56 or any other page as may replace page 56 on that service, which we refer to as "Telerate Page 56", or page 57 or any other page as may replace page 57 on that service, which we refer to as "Telerate Page 57"; or

- if the rate described in the first bullet point is not published by 3:00 p.m., New York City time, on the Interest Determination Date, the Bond Equivalent Yield of the rate for the applicable Treasury Bills as published in the H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Notes/Treasury Bills/Auction High"; or

- if the rate described in the second bullet point is not published by 3:00 p.m., New York City time, on the related Interest Determination Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills, announced by the U.S. Department of the Treasury; or

- if the rate referred to in the third bullet point is not announced by the U.S. Department of the Treasury, or if the auction is not held, the Bond Equivalent Yield of the rate on the applicable Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Supplement published in H.15(519) under the caption "U.S. Government Notes/Treasury Bills/ Secondary Market"; or

- if the rate referred to in the fourth bullet point is not so published by 3:00 p.m., New York City time, on the related Interest Determination Date, the rate on the applicable Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Notes/Treasury Bills/Secondary Market"; or

- if the rate referred to in the fifth bullet point is not so published by 3:00 p.m., New York City time, on the related Interest Determination Date, the rate on the applicable Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the applicable Interest Determination Date, of three primary U.S. government securities dealers, which may include the agent and its affiliates, selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable Supplement; or

- if the dealers selected by the Calculation Agent are not quoting as set forth above, the Treasury Rate for that Interest Determination Date will remain the Treasury Rate for the immediately preceding Interest Reset Period, or, if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

The "Bond Equivalent Yield" means a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Bond Equivalent Yield} = \frac{(D \text{ x } N)}{360 - (D \text{ x } M)} \text{ x } 100$$

where, "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the Interest Payment Period for which interest is being calculated.

"Treasury Spot Rate" means the mid-market spot Treasury Rate with a designated Index Maturity specified in the applicable Supplement, as determined by the Calculation Agent, at the time the Notes are priced for initial sale to the public, rounded to two decimal places. The continuously reported mid-market spot Treasury Rate with a designated Index Maturity is publicly available on Bloomberg screen "BBT".

"10-Year Treasury Spot Rate" means the USD-Treasury Rate-T500 with a Designated Maturity of 10 years.

"USD-Treasury Rate-T500" means that the rate for an Interest Reset Date will be a percentage equal to the mid-market yield-to-maturity of the current "on-the-run" U.S. Treasury with a "Designated Maturity", specified in the applicable Supplement, which appears on the Telerate Page 500 as of 11:00 a.m., New York City time, on that Interest Reset Date. If that rate does not appear on the Telerate Page 500, the rate for that Interest Reset Date will be determined by the Calculation Agent and will be a percentage equal to the yield-to-maturity based on the secondary market mid-market prices as of 11:00 a.m., New York City time, on that Interest Reset Date of three leading primary U.S. government securities dealers in New York City, selected by the Calculation Agent, (from five of the dealers and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)) for U.S. Treasury securities with a maturity equal to the Designated Maturity and taking a simple average of the remaining three values.

"USD-Treasury Rate-T19901" means that the rate for an Interest Reset Date will be a percentage equal to the mid-market yield-to-maturity of the current "on-the-run" U.S. Treasury with a "Designated Maturity", specified in the applicable Supplement, which appears on the Telerate page 19901 as of 11:00 a.m., New York City time, on that Interest Reset Date. If that rate does not appear on the Telerate page 19901, the rate for that Interest Reset Date will be determined by the Calculation Agent and will be a percentage equal to the yield-to-maturity based on the secondary market mid-market prices as of 11:00 a.m., New York City time, on that Interest Reset Date of three leading primary U.S. government securities dealers in New York City, selected by the Calculation Agent, (from five of those dealers and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for U.S. Treasury securities with a maturity equal to the Designated Maturity and taking a simple average of the remaining three values.

Market Disruption Events Relating to Notes with a Floating Interest Rate as the Underlying Asset

Except as may be provided above in "Underlying Assets—Floating Interest Rate", if an Underlying Asset cannot be determined, then the Calculation Agent will make all determinations.

Securities or Linked Shares

The principal, interest or any other amounts payable on the Notes may be based on one or more securities, including price movements in or other events relating to those securities, which we refer to as Linked Shares. The Linked Shares may consist of American depositary shares, which are described under "—American Depositary Shares and Deposit Agreements". If a Underlying Asset is comprised of more than one Linked Share or a Linked Share and at least one other type of Underlying Asset, the Linked Share is a "Basket Component".

Underlying Asset Issuer and Underlying Asset Information

The Notes have not been passed on by the issuer of the Linked Shares or the issuer of any corresponding ADS Underlying Shares (as described below) as to their legality or suitability. The Notes are not issued, endorsed, sponsored or promoted by and are not financial or legal obligations of the issuer of the Linked Shares or the issuer of any corresponding ADS Underlying Shares. The trademarks, service marks or registered trademarks of the issuer of the Linked Shares or the issuer of any corresponding ADS Underlying Shares are the property of their owner. The issuer of the Underlying Asset makes no warranties and bears no liabilities with respect to the Notes or to the administration or operation of the Notes. This Product Supplement relates only to the Notes offered by the applicable Supplement and does not relate to any security of an underlying issuer.

If the Underlying Asset is a Linked Share that is registered under the Securities Exchange Act of 1934, as amended, which is commonly referred to as the "Exchange Act", issuers of those Linked Shares are required to file, periodically, financial and other information specified by the SEC. Information provided to or filed with the SEC can be inspected and copied at the public reference facilities maintained by the SEC at Room 1580, 100 F Street, N.E., Washington, D.C. 20549, and copies of that material can be obtained from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. You may obtain information on the operation of the public reference room by calling the SEC at l-800-SEC-0330. In addition, information provided to or filed with the SEC electronically can be accessed through a website maintained by the SEC. The address of the SEC's website is http://www.sec.gov. We make no representation or warranty as to the accuracy or completeness of the information displayed on that website, and that information is not incorporated by reference herein and should not be considered a part of this Product Supplement. Information provided to or filed with the SEC pursuant to the Exchange Act by a company issuing a Linked Share can be located by reference to the SEC file number provided in the applicable Supplement. In addition, information regarding a company issuing a Linked Share may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents. We make no representation or warranty as to the accuracy or completeness of the information referred to above relating to Linked Shares or any other publicly available information regarding the issuer of the Underlying Asset. Neither we nor the agent has participated in the preparation of the above-described documents or made any due diligence inquiry with respect to the issuer of the Underlying Asset. Furthermore, we cannot give any assurance that all events occurring prior to the date of the applicable Supplement (including events that would affect the accuracy or completeness of the publicly available documents described herein) that would affect the closing prices of the Underlying Asset (and therefore the closing price of that Underlying Asset at the time we price the Notes) have been publicly disclosed. Subsequent disclosure of any of those events or the disclosure of or failure to disclose material future events concerning the issuer of the Underlying Asset could affect the value received at maturity with respect to the Notes and therefore the price of the Notes in the secondary market, if any.

Special Calculation Provisions

With respect to Underlying Assets that are Linked Shares, the closing price for any security on any day will equal the closing sale price or last reported sale price, regular way, for the security, on a per-share or other unit basis:

- on the principal national securities exchange on which that security is listed for trading on that day, or

- if that security is not listed on any national securities exchange, on any other U.S. national market system that is the primary market for the trading of that security.

With respect to the closing sale price or last reported sale price for the National Association of Securities Dealers Automated Quotation System (the "NASDAQ"), the closing price will be the Nasdaq Official Closing Price (NOCP) unless otherwise specified in the applicable Supplement.

If that security is not listed or traded as described above, then the closing price for that security on any day will be determined by the Calculation Agent. In determining the closing price for that security on any day, the Calculation Agent may consider any relevant information, including, without limitation, information consisting of relevant market data in the relevant market supplied by one or more third parties or internal sources including, without limitation, relevant rates, prices, yields, yield curves, volatiles, spreads, correlations or other relevant market data in the relevant market.

American Depositary Shares and Deposit Agreements

Any Linked Share in the form of an American depositary share is issued pursuant to a Deposit Agreement, as amended from time to time (the "Deposit Agreement"). An event that has a diluting or concentrative effect on the corresponding ADS Underlying Shares may affect theoretical value of those Linked Shares unless (and to the extent that) the issuer of the ADS Underlying Shares or the depository for the Linked Shares, pursuant to their authority (if any) under the Deposit Agreement, elects to adjust the number of ADS Underlying Shares that are represented by each Linked Share such that the price and other terms of the Linked Share will not be affected by any such event. If the issuer of the ADS Underlying Shares or the depository for the Linked Share does not adjust the number of ADS Underlying Shares that are represented by each Linked Share, or makes an adjustment that the Calculation Agent deems inappropriate to account for such an event, then the Calculation Agent may make any adjustments that the Calculation Agent determines to be appropriate to account for that event. The depository of the Linked Shares may also have the ability pursuant to the Deposit Agreement to make adjustments in respect of the Linked Shares for share distributions, rights distributions, cash distributions and distributions other than shares, rights and cash. Upon any such adjustment by the depository, the Calculation Agent may adjust such terms and conditions of the Notes as the Calculation Agent determines appropriate to account for that event.

"ADS Underlying Shares" means with respect to an Underlying Asset that is an American depositary share, the securities of the issuer underlying that Underlying Asset.

Share Adjustments Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset—Antidilution Adjustments

Adjustments Relating to Notes with an Equity Security

General

The Calculation Agent will adjust the Initial Price of the Underlying Asset (and, in turn, any other variable or combination thereof) or replace the Underlying Asset if certain corporate actions and other events described below (each, an "Adjustment Event") occur, and the Calculation Agent determines that such Adjustment Event has a diluting or concentrative effect on the theoretical value of the Underlying Asset. We have listed below examples of how Adjustment Events may lead to adjustments to the Initial Price or the replacement of the Underlying Asset.

The adjustments described below do not cover all events that could affect the value of the Notes. We describe the risks relating to dilution under "Risk Factors — Antidilution Protection Is Limited."

Adjustments

If an Adjustment Event occurs and the Calculation Agent determines that the event has a diluting or concentrative effect on the theoretical value of the Underlying Asset, the Calculation Agent will calculate a corresponding adjustment to any variable of the Underlying Asset as the Calculation Agent determines appropriate to account for that diluting or concentrative effect. The Calculation Agent will also determine the effective date of that adjustment and/or the replacement of the Underlying Asset, if applicable, in the event of consolidation, merger or certain other occurrences. Upon making any such adjustment, the Calculation Agent will give notice as soon as practicable to the Fiscal and Paying Agent, stating the adjustment or the replacement of the Underlying Asset.

If more than one Adjustment Event occurs with respect to the Underlying Asset, the Calculation Agent will make an adjustment for each such Adjustment Event in the order in which they occur, and on a cumulative basis. Accordingly, having adjusted a variable of the Underlying Asset for the first such Adjustment Event, the Calculation Agent will adjust the appropriate variable for the second Adjustment Event, applying the required adjustment as already adjusted for the first Adjustment Event, and so on for each subsequent Adjustment Event.

The Calculation Agent will not have to adjust any variable of the Underlying Asset for any Adjustment Event *unless* the adjustment would result in a change of at least 0.10% of the unadjusted amount. The value of the variables resulting from any adjustment will be rounded up or down, as appropriate, to the nearest cent with one-half cent being rounded upwards.

If an Adjustment Event requiring antidilution adjustment occurs, the Calculation Agent will make any adjustments with a view to offsetting, to the extent practical, any change in the economic position of holders of the Notes relative to the Notes that results solely from that event. The Calculation Agent may, in its sole discretion, modify any antidilution adjustments as necessary to ensure an equitable result.

The Calculation Agent has sole discretion in making all determinations with respect to antidilution adjustments, including any determination as to whether an Adjustment Event requiring an antidilution adjustment has occurred, as to the nature of the adjustment required and how it will be made. In the absence of manifest error, those determinations will be conclusive for all purposes and will be binding on holders of the Notes and the Issuer, without any liability on the part of the Calculation Agent. Because the Calculation Agent may be an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and you with respect to such determinations. See "Risk Factors — Identity of the Issuer and the Calculation Agent" for further information. Upon a holder's written request, the Calculation Agent will provide information about any adjustments it makes.

Adjustment Events

The following is a list of Adjustment Events that may require an antidilution adjustment:

(a) a subdivision, consolidation or reclassification of the Underlying Asset of the Underlying Asset issuer or a free distribution or dividend of the Underlying Asset of the Underlying Asset issuer to existing holders of the Underlying Asset by way of bonus, capitalization or similar issue;

(b) a distribution or dividend to existing holders of the Underlying Asset of the Underlying Asset issuer of (A) the Underlying Asset, (B) other share capital or securities granting the right to payment of dividends equally or proportionately with such payments to holders of the Underlying Asset, or (C) any other type of securities, rights or warrants in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(c) the declaration by the Underlying Asset issuer of an extraordinary or special dividend or other distribution whether in cash or underlying shares of the Underlying Asset issuer or other assets;

(d) a call by the Underlying Asset issuer in respect of Underlying Asset shares that are not fully paid;

(e) in respect of the Underlying Asset issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of capital stock of the Underlying Asset issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;

(f) a repurchase by the Underlying Asset issuer of its common stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;

(g) a consolidation of the Underlying Asset issuer with another company or merger of the Underlying Asset issuer with another company; and

(h) any other similar event that may have a diluting or concentrative effect on the theoretical value of the Underlying Asset of the Underlying Asset issuer.

Certain Adjustment Events are discussed in greater detail below.

Stock Splits

A stock split is an increase in the number of a corporation's outstanding shares of stock without any change in its stockholders' equity. As a result of a stock split, each outstanding share will be worth less.

If the Underlying Asset of the Underlying Asset issuer is subject to a stock split, the Calculation Agent will adjust the Initial Price of the Underlying Asset to equal the product of (i) the prior Initial Price of the Underlying Asset — i.e., the Initial Price before that adjustment — multiplied by (ii) the quotient of (x) the number of shares outstanding immediately before the stock split with respect to the Underlying Asset becomes effective divided by (y) the number of the shares outstanding immediately after the stock split becomes effective.

Reverse Stock Splits

A reverse stock split is a decrease in the number of a corporation's outstanding shares of stock without any change in its stockholders' equity. As a result of a reverse stock split, each outstanding share will be worth more.

If the Underlying Asset of the Underlying Asset issuer is subject to a reverse stock split, the Calculation Agent will adjust the Initial Price of the Underlying Asset to equal the product of (i) the Initial Price of the Underlying Asset multiplied by (ii) the quotient of (x) the number of the underlying shares outstanding immediately before the reverse stock split becomes effective divided by (y) the number of the underlying shares outstanding immediately after the reverse stock split becomes effective.

Stock Dividends

In a stock dividend, a corporation issues additional shares of its stock to all holders of its outstanding stock in proportion to the shares they own. As a result of a stock dividend, each outstanding share will be worth less.

If the Underlying Asset of the Underlying Asset issuer is subject to a stock dividend payable in the Underlying Asset, then the Calculation Agent will adjust the Initial Price for the Underlying Asset to equal the product of (i) the prior Initial Price for the Underlying Asset — i.e., the Initial Price before that adjustment — multiplied by (ii) the quotient of (x) the number of shares outstanding immediately before the stock dividend with respect to the Underlying Asset becomes effective divided by (y) the number of shares outstanding immediately after the stock dividend becomes effective.

Other Dividends and Distributions

If the Underlying Asset issuer declares a dividend to be distributed to holders of record of the Underlying Asset of the Underlying Asset issuer as of a date falling in the period that begins on the day immediately following the Final Valuation Date and ends on the day immediately prior to the Maturity Date, any such dividend will not be paid to the noteholders. The Calculation Agent will not make an adjustment to reflect any other dividends or distributions paid with respect to the Underlying Asset of the Underlying Asset issuer, other than (i) stock dividends described above; (ii) extraordinary dividends as described below; and (iii) issuances of transferable rights and warrants as described in "Transferable Rights and Warrants" below.

A dividend or other distribution with respect to the Underlying Asset of the Underlying Asset issuer will be deemed to be an "extraordinary dividend" if its per share value exceeds that of the immediately preceding non-extraordinary dividend, if any, for the Underlying Asset by an amount equal to at least 10.00% of the market price of the Underlying Asset on the business day before the extraordinary dividend date. The "extraordinary dividend date" for any dividend or other distribution is the first day on which the Underlying Asset trades without the right to receive that dividend or distribution. If an extraordinary dividend occurs, the Calculation Agent will adjust the Initial Price of the Underlying Asset to equal the product of (i) the prior Initial Price of the Underlying Asset times (ii) a fraction, the numerator of which is the amount by which the market price of the Underlying Asset on the business day before the extraordinary dividend date exceeds the Extraordinary Dividend Adjustment Amount and the denominator of which is the market price of the Underlying Asset on the business day before the extraordinary dividend date. The "Extraordinary Dividend Adjustment Amount" with respect to an extraordinary dividend for the Underlying Asset equals: (i) for an extraordinary dividend that is paid in lieu of a regular quarterly dividend, the amount of the extraordinary dividend per share of the Underlying Asset minus the amount per share of the immediately preceding dividend, if any, that was not an extraordinary dividend for the Underlying Asset, or (ii) for an extraordinary dividend that is not paid in lieu of a regular quarterly dividend, the amount per share of the extraordinary dividend.

To the extent an extraordinary dividend is not paid in cash, the value of the non-cash component will be determined by the Calculation Agent. A distribution on the Underlying Asset of the Underlying Asset issuer that is a dividend payable in the Underlying Assets, an issuance of rights or warrants or a spin-off event and that is also an extraordinary dividend will result in an adjustment only as described in "Stock Dividends" above, "Transferable Rights and Warrants" below or "Reorganization Events" below, as the case may be, and not as described here.

Transferable Rights and Warrants

If the Underlying Asset issuer issues transferable rights or warrants to all holders of the Underlying Asset of the Underlying Asset issuer to subscribe for or purchase the Underlying Asset at an exercise price per share that is less than the market price of the Underlying Asset on the business day before the extraordinary dividend date for the issuance, then the Initial Price of the Underlying Asset will be adjusted by multiplying the prior Initial Price of the Underlying Asset by the following fraction: (i) the numerator will be the sum of the number of the Underlying Assets outstanding at the close of business on the day before that extraordinary dividend date and the product of (A) the total number of additional Underlying Assets offered for subscription or purchase under the transferable rights or warrants times (B) the quotient of the exercise price of those transferable rights or warrants divided by the market price of the Underlying Asset on the business day before that extraordinary dividend date, and (ii) the denominator will be the sum of the number of the Underlying Assets outstanding at the close of business on the day before that extraordinary dividend date and the total number of additional Underlying Assets offered for subscription or purchase under those transferable rights or warrants.

Reorganization Events

(i) Each of the following may be a reorganization event with respect to the Underlying Asset issuer: (i) the Underlying Asset of the Underlying Asset issuer is reclassified or changed; (ii) the Underlying Asset issuer has been subject to a merger, consolidation or other combination and either is not the surviving entity or is the surviving entity but all outstanding Underlying Assets of the Underlying Asset issuer are exchanged for or converted into other property; (iii) a statutory share exchange involving the outstanding Underlying Assets of the Underlying Asset issuer and the securities of another entity occurs, other than as part of an event described above; (iv) the Underlying Asset issuer effects a spin-off (i.e., issues to all holders of the Underlying Asset of the Underlying Asset issuer common stock equity securities of another issuer) other than as part of an event described above; (v) the Underlying Asset issuer sells or otherwise transfers its property and assets as an entirety or substantially as an entirety to another entity (each of the events above, a "Merger Event"); (vi) a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, not less than a majority of the outstanding Underlying Assets of the Underlying Asset issuer as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant (a "Tender Offer"); (vii) the exchange on which the Underlying Asset of the Underlying Asset issuer trades announces that, pursuant to the rules of such exchange, the Underlying Asset ceases (or will cease) to be listed, traded or publicly quoted on it for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on another major United States exchange or quotation system (a "Delisting Event"); (viii) the Underlying Asset issuer is liquidated, dissolved or wound up or is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law (an "Insolvency"); and (ix) all the assets or substantially all the assets of the Underling Asset issuer are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity (a "Nationalization").

Adjustments for Reorganization Events

If a Merger Event or Tender Offer occurs with respect to the Underlying Asset issuer and, in the case of a Merger Event, a holder of the Underlying Asset of the Underlying Asset issuer that makes no election, vote or decision in connection with such Merger Event would receive as full or partial consideration ordinary or common shares of any person (other than the Underlying Asset issuer) that are publicly quoted, traded or listed on any major United States exchange or quotation system ("New Shares"), or, in the case of a Tender Offer, the holder of the Underlying Asset can elect to receive New Shares as full or partial consideration in respect of such Tender Offer, then (i) the Initial Price of the Underlying Asset will not be adjusted and (ii) the Final Share Price and, if applicable, the price of the Underlying Asset used to determine whether the Protection Price Level for the Underlying Asset has been breached will be deemed to be equal to the Transaction Value. The "Transaction Value" will equal the sum of (i) for any cash received in the Merger Event or Tender Offer, the amount of cash received per Underlying Asset, (ii) for any property other than cash or New Shares received in the Merger Event or Tender Offer, an amount equal to the market value on the Approval Date (as defined below) of that property received per Underlying Asset, as determined by the Calculation Agent in the manner deemed to be appropriate by the Calculation Agent in its sole discretion, and (iii) for any New Shares received in the Merger Event or Tender Offer, an amount equal to (x) the closing price per share of the New Shares on the Final Valuation Date or the closing price per share of the New Shares on the remaining business days during the Observation Period, as the case may be, multiplied by (y) the number of New Shares received for the Underlying Asset. The "Approval Date" is the closing date of a Merger Event or, in the case of a Tender Offer, the date on which the person or entity making the Tender Offer acquires, or acquires the right to obtain, the relevant percentage of Underlying Assets. For the purposes of making an adjustment required by a reorganization event, if a holder of the common stock of the Underlying Asset issuer may elect to receive different types or combinations of types of property in the reorganization event, such property will consist of the types and amounts of each type distributed to a holder that makes no election, as determined by the Calculation Agent.

If, with respect to the Underlying Asset, (i) a Merger Event occurs and the consideration in respect of such event does not consist in full or in part of New Shares, (ii) a Tender Offer occurs and a holder of the Underlying Asset would not be able to elect to receive in full or in part any New Shares as consideration in respect of such Tender Offer, (iii) a Delisting Event occurs, (iv) an Insolvency occurs, or (v) a Nationalization occurs, then the Calculation Agent will replace the Underlying Asset with a Replacement Share and set the Initial Price of that Replacement Share so that the ratio of the closing price of such Replacement Share on the first trading day following, in the case of a Merger Event or a Tender Offer, the Approval Date or, in the case of a Delisting Event, Insolvency, or Nationalization, the announcement date to the Initial Price for such Replacement Share equals the ratio of the price of the original Underlying Asset immediately prior to the occurrence of the Merger Event, Tender Offer, Delisting Event, Insolvency or Nationalization, as the case may be, to the original Initial Price for the Underlying Asset. For purposes of the preceding, a "Replacement Share" means a share that is: (i) listed on the NYSE or the NASDAQ, (ii) issued by an issuer that shares the same primary Standard Industrial Characterization, or SIC, code as the Underlying Asset issuer of the Underlying Asset, (iii) not already an Underlying Asset and (iv) issued by an issuer that is not subject to a trading restriction under the trading restriction polices of the Issuer or any of its affiliates that would materially limit the ability of the Issuer or any of its affiliates to hedge the Notes with respect to that stock; provided, however, that if a stock satisfying these criteria cannot be identified by the Calculation Agent, then the Calculation Agent will, in its sole and absolute discretion, select a share to be the Replacement Share. In the event that a Replacement Share is selected, references herein to "Underlying Asset" shall include the Replacement Share, and references herein to "Underlying Asset issuer" shall include the issuer of such Replacement Share.

If a reorganization event occurs with respect to the Underlying Asset issuer and the Calculation Agent, as described above (i) is to use the "Transaction Value" to determine the Final Share Price of the Underlying Asset of the Underlying Asset issuer or (ii) replaces the Underlying Asset of the Underlying Asset issuer with Replacement Shares, the Calculation Agent will make further antidilution adjustments for later events that affect the components of the property used to calculate such Transaction Value or such Replacement Shares, as the case may be. The Calculation Agent will do so to the same extent that it would make adjustments if the common stock of the Underlying Asset issuer affected by the original reorganization event was outstanding and was affected by the same kinds of events. If a subsequent reorganization event affects only a particular component of the property used to calculate such Transaction Value, the required adjustment will be made with respect to that component alone. For example, if the Underlying Asset issuer merges into another company and each share of its common stock is converted into the right to receive two New Shares of the surviving company and a specified amount of cash, the property used to calculate the Transaction Value will consist of two New Shares and the specified amount of cash per such share of its common stock. The Calculation Agent will adjust the common share component of the property used to calculate the Transaction Value to reflect any later stock split or other event, including any later reorganization event, that affects the New Shares, to the extent described in this section entitled "Antidilution Adjustments," as if the New Shares were the common stock of the Underlying Asset issuer affected by the original reorganization event. In that event, the cash component will not be adjusted but will continue to be a component of the property used to calculate the Transaction Value. Consequently, in calculating the Final Share Price of the Underlying Asset of the Underlying Asset issuer affected by a reorganization event, the Transaction Value will consist of all components in effect on the Final Valuation Date, with each component having been adjusted on a sequential and cumulative basis for all relevant events requiring adjustment on or before the Final Valuation Date.

If a reorganization event occurs, the property distributed in the event or the Replacement Shares, as the case may be, will be substituted for the common stock of the Underlying Asset issuer as described above. Consequently, references to the common stock of the Underlying Asset issuer mean (i) any property that is distributed in a reorganization event and that is used to calculate the Transaction Value or (ii) any Replacement Shares, as the case may be. Similarly, references to the Underlying Asset issuer mean any successor entity in a reorganization event.

Adjustments Relating to Notes with Interests in Exchange Traded Funds

General

The Calculation Agent will adjust the Initial Price if certain events described below (each, an "Adjustment Event") occur, and the Calculation Agent determines that such Adjustment Event has a diluting or concentrative effect on the theoretical value on the components of the Underlying Asset.

Adjustments

If an Adjustment Event occurs and the Calculation Agent determines that the event has a diluting or concentrative effect on the theoretical value on the components of the Underlying Asset, the Calculation Agent will calculate a corresponding adjustment to the Initial Price. The Calculation Agent will also determine the effective date of that adjustment. Upon making any such adjustment, the Calculation Agent will give notice as soon as practicable to Issuer and the Fiscal and Paying Agent, stating the adjustment of the Initial Price.

If more than one Adjustment Event occurs, the Calculation Agent will make an adjustment for each such Adjustment Event in the order in which they occur, and on a cumulative basis. Accordingly, having adjusted the Initial Price for the first such Adjustment Event, the Calculation Agent will adjust the Initial Price for the second Adjustment Event, applying the required adjustment to the Initial Price as already adjusted for the first Adjustment Event, and so on for each subsequent Adjustment Event.

The Calculation Agent will not have to adjust the Initial Price for any Adjustment Event *unless* the adjustment would result in a change to the Initial Price of at least 0.1% of the Initial Price that would apply without the adjustment. The Initial Price resulting from any adjustment will be rounded up or down, as appropriate, to the nearest cent with one-half cent being rounded upwards.

If an Adjustment Event requiring antidilution adjustment occurs, the Calculation Agent will make any adjustments with a view to offsetting, to the extent practical, any change in the economic position of holders of the Notes relative to the Notes that results solely from that event. The Calculation Agent may, in its sole discretion, modify any antidilution adjustments as necessary to ensure an equitable result.

The Calculation Agent has sole discretion in making all determinations with respect to antidilution adjustments, including any determination as to whether an Adjustment Event requiring an antidilution adjustment has occurred, as to the nature of the adjustment required and how it will be made. In the absence of manifest error, those determinations will be conclusive for all purposes and will be binding on holders of the Notes and the Issuer, without any liability on the part of the Calculation Agent. Potential conflicts of interest may exist between the Calculation Agent and you with respect to such determinations. See "Risk Factors—Affiliation of the Issuer and the Calculation Agent" for further information. Upon written request from any investor in the Notes, the Calculation Agent will provide information about any adjustments it makes.

Share Splits and Reverse Share Splits

If the components of the Underlying Asset are subject to a share split or reverse share split, then on the effective date of such share split or reverse share split, the Initial Price will be adjusted so that the new Initial Price shall equal the quotient of:

- the prior Initial Price, and

- the number of the components of the Underlying Asset which a holder of one component of the Underlying Asset before the effective date of the share split or reverse share split would have owned or been entitled to receive immediate following the effective date.

Share Dividends or Distributions

If the components of the Underlying Asset are subject to (i) a share dividend, i.e., an issuance of additional components of the Underlying Asset that is given ratably to all or substantially all holders of the components of the Underlying Asset, or (ii) another distribution with respect to the components of the Underlying Asset that is paid in components of the Underlying Asset, then on the effective date of such share dividend or distribution, the Initial Price will be adjusted so that the new Initial Price shall equal the quotient of:

- the prior Initial Price, and

- the number of components of the Underlying Asset which a holder of one component of the Underlying Asset before the effective date of the share dividend or distribution would have owned or been entitled to receive immediate following the effective date.

Non-cash Distributions

If the Underlying Asset distributes shares of capital stock other than components of the Underlying Asset, evidences of indebtedness or other assets or property to all or substantially all holders of the components of the Underlying Asset (other than (i) share dividends or distributions referred to under "—Share Dividends or Distributions" above and (ii) cash dividends referred under "—Cash Dividends or Distributions" below), then on the ex-dividend date for such distribution, the Initial Price will be adjusted so that the new Initial Price shall equal the product of:

- the prior Initial Price, and

- a fraction, the numerator of which is the amount by which the Current Market Price of a component of the Underlying Asset exceeds the Fair Market Value of such distribution and the denominator of which is the Current Market Price of a component of the Underlying Asset.

The "Current Market Price" of a component of the Underlying Asset means the arithmetic average of the closing price of the components of the Underlying Asset on ten exchange business days prior to the exchange business day immediately preceding the ex-dividend date for the dividend or distribution requiring an adjustment to the Initial Price.

The "ex-dividend date" shall mean the first exchange business day on which transactions in the components of the Underlying Asset trade without the right to receive the dividend or distribution.

The "Fair Market Value" of any distribution means the value per component of the Underlying Asset of such distribution on the ex-dividend date for such distribution, as determined by the Calculation Agent. If such distribution consists of property traded on the ex-dividend date on a U.S. national securities exchange, the Fair Market Value will equal the closing price of such distributed property on such ex-dividend date.

Cash Dividends or Distributions

If the Underlying Asset pays dividends or makes other distributions consisting exclusively of cash to all or substantially all holders of the components of the Underlying Asset during any fiscal quarter during the term of the Notes that, together with other dividends and distribution of cash made during the same fiscal quarter, exceed the Dividend Threshold, then on the ex-dividend date for such cash dividend or cash distribution, the Initial Price will be adjusted so that the new Initial Price shall equal the product of:

- the prior Initial Price, and
- a fraction, the numerator of which is the amount by which the Current Market Price of a component of the Underlying Asset exceeds the amount in cash per component of the Underlying Asset distributed to holders of the components of the Underlying Asset during such fiscal quarter in excess of the Dividend Threshold and the denominator of which is the Current Market Price of a component of the Underlying Asset.

"Dividend Threshold" with respect to any cash dividend or cash distribution shall mean the sum of (i) the amount per component of the Underlying Asset of the immediately preceding cash dividend or other cash distribution, if any, not in excess of the Dividend Threshold applicable to such preceding cash dividend or other cash distribution plus (ii) 10% of the closing price of the components of the Underlying Asset on the exchange business day immediately preceding the ex-dividend date for such dividend or cash distribution.

Substitution of Successor Underlying Asset; Alternate Calculation of Share Price

If the components of the Underlying Asset (or the components of a successor underlying asset) are delisted from the Exchange (or any other relevant exchange) or the Underlying Asset (or such successor underlying asset) is liquidated or otherwise terminated, the Calculation Agent will substitute an exchange-traded fund (such exchange-traded fund being referred to herein as a "successor underlying asset") that the Calculation Agent determines, in its sole discretion, is comparable to the Underlying Asset (or such successor underlying asset). If the components of the Underlying Asset (or the components of a successor underlying asset) are delisted or the Underlying Asset (or such successor underlying asset) is liquidated or otherwise terminated and the Calculation Agent determines that no successor underlying asset is available, then the Calculation Agent will, from and after that time, in its sole discretion, calculate substitute values for the official closing prices of the components of the Underlying Asset (or the components of a successor underlying asset) by a computation methodology that the Calculation Agent determines will as closely as reasonably possible replicate the official closing prices of the components of the Underlying Asset (or the components of such successor underlying asset). If a successor underlying asset is selected or the Calculation Agent calculates substitute values for the official closing prices of the components of the Underlying Asset (or the components of a successor underlying asset), the official closing prices of the shares of such successor underlying asset or substitute values calculated by the Calculation Agent, as applicable, will be substituted for the Share Price for all purposes of the Notes.

If at any time:

- the Index (or the underlying index related to a successor underlying asset) is changed in a material respect, or
- the Underlying Asset (or a successor underlying asset) in any other way is modified so that the official closing price of the components of the Underlying Asset (or of the shares of a successor underlying asset) does not, in the opinion of the Calculation Agent, fairly represent the price of the components of the Underlying Asset (or of the shares of such successor underlying asset) had those changes or modifications not been made,

then, from and after that time, the Calculation Agent will make such calculations and adjustments as, in the good faith judgment of the Calculation Agent, may be necessary in order to arrive at closing prices of shares of an exchange-traded fund comparable to the Underlying Asset (or such successor underlying asset) as if those changes or modifications had not been made, and calculate the Share Price (or the price of the shares of such successor underlying asset), as adjusted. The Calculation Agent also may determine that no adjustment is required by the modification of the method of calculation.

The Calculation Agent will be solely responsible for the method of calculating the Share Price (or the price of the shares of any successor underlying asset) and of any related determinations and calculations, and its determinations and calculations with respect thereto will be conclusive in the absence of manifest error. The Calculation Agent will provide information as to the method of calculating the Share Price (or the price of the shares of such successor underlying asset) upon written request by any investor in the Notes. Potential conflicts of interest may exist between the Calculation Agent and you with respect to such determinations. See “Risk Factors—Affiliation of the Issuer and the Calculation Agent” for further information.

Market Disruption Events Relating to Notes with an Equity Security or Interests in Exchange-Traded Funds as the Underlying Asset

If no Final Share Price is available on the Valuation Date because of a Market Disruption Event, as determined by the Calculation Agent in its sole discretion, the Calculation Agent may postpone the calculation of the Final Share Price until the earlier of the date such Market Disruption Event has ceased or five Business Days after the Valuation Date. In the event there still exists a Market Disruption Event on the fifth Business Day after the Valuation Date, the Calculation Agent will determine the Final Share Price by using its good faith estimate of the value of the Underlying Assets as of the closing time on the exchange on such day. If a Market Disruption Event occurs on any other Business Day during the Observation Period, such day will be disregarded for purposes of determining whether the Protection Price Level, if applicable, has been breached during the Observation Period. If a Market Disruption Event exists on the Valuation Date, the Maturity Date will be the later of the Maturity Date specified in the applicable Supplement and the third Business Day following the day on which the Final Share Price is calculated. No interest will accrue or other payment be payable because of any postponement of the Maturity Date.

A “Market Disruption Event” means the occurrence or existence of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by any relevant exchange or market or otherwise) of, or the unavailability, through a recognized system of public dissemination of transaction information, of accurate price, volume or related information in respect of, (i) the Underlying Asset, or (ii) any options or futures contracts, or any options on such futures contracts, relating to the Underlying Asset if, in each case, in the determination of the Calculation Agent, in its sole discretion, any such suspension, limitation or unavailability is material.

For purposes of determining whether a Market Disruption Event has occurred: (i) a limitation on the hours or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange; (ii) a decision permanently to discontinue trading in the relevant options or futures contract will not constitute a Market Disruption Event; (iii) limitations pursuant to NYSE Rule 80A — Index Arbitrage Trading Restrictions — (or any applicable rule or regulation enacted or promulgated by the NYSE, any other self-regulatory organization or the SEC of similar scope as determined by the Calculation Agent) on trading during significant market fluctuations will constitute a Market Disruption Event; (iv) a suspension of trading in an options contract on the Underlying Asset by the primary securities market trading in such options, if available, by reason of (A) a price change exceeding limits set by such securities exchange or market, (B) an imbalance of orders relating to such contracts, or (C) a disparity in bid and ask quotes relating to such contracts will constitute a suspension or material limitation of trading in options contracts related to the Underlying Asset notwithstanding that such suspension or material limitation is less than two hours; (v) a suspension, absence or material limitation of trading on the primary securities market on which options contracts related to the Underlying Asset are traded will not include any time when such securities market is itself closed for trading under ordinary circumstances; and (vi) a "suspension or material limitation" on an exchange or in a market will include a suspension or material limitation of trading by one class of investors provided that such suspension continues for more than two hours of trading or during the last one-half hour period preceding the close of trading on the relevant exchange or market (but will not include limitations imposed on certain types of trading under NYSE Rule 80A or any applicable rule or regulation enacted or promulgated by the NYSE, NASDAQ, any other self-regulatory organization or the SEC of a similar scope or as a replacement for Rule 80A, as determined by the Calculation Agent) and will not include any time when such exchange or market is closed for trading as part of such exchange's or market's regularly scheduled business hours.

Under certain circumstances, the duties of the Calculation Agent in determining the existence of Market Disruption Events could conflict with your interests. See "Risk Factors — The Calculation Agent could be one of our affiliates, which could result in a conflict of interest". Based on the information currently available to the Issuer, on October 27, 1997, the NYSE suspended all trading during the one-half hour period preceding the close of trading pursuant to NYSE Rule 80B and, on each of September 11, 12, 13 and 14, 2001, the NYSE suspended all trading for the entire day due to certain terrorist activity. If any such suspension of trading occurred during the term of the Notes, it would constitute a Market Disruption Event. The existence or non-existence of these circumstances, however, is not necessarily indicative of the likelihood of these circumstances arising or not arising in the future.

Indices

The principal, interest or any other amounts payable on the Notes may be based on one or more indices, including movements in the levels of the indices, the prices of their components or other events relating to that index. The index or indices that comprise the Underlying Asset shall be specified in the applicable Supplement. If an Underlying Asset is comprised of more than one index or an index and at least one other type of asset, the index is a Basket Component.

Underlying Asset Sponsor and Underlying Asset Information

The Notes have not been passed on by the Sponsor of the Underlying Asset as to their legality or suitability. The Notes are not issued, endorsed, sponsored or promoted by and are not financial or legal obligations of the Sponsor of the Underlying Asset. The trademarks, service marks or registered trademarks of the Sponsor of the Underlying Asset are the property of their owner. The Sponsor of the Underlying Asset makes no warranties and bears no liabilities with respect to the Notes or to the administration or operation of the Notes. This Product Supplement relates only to the Notes offered by the applicable Supplement and does not relate to any index of a Sponsor.

Information regarding an Underlying Asset comprised of an index or the Sponsor of the Underlying Asset may be obtained from various public sources including, but not limited to, press releases, newspaper articles, the Sponsor website and other publicly disseminated documents. We make no representation or warranty as to the accuracy or completeness of the information referred to above relating to the Underlying Asset or any other publicly available information regarding the Sponsor of the Underlying Asset. In connection with any issuance of Notes under this Product Supplement, neither we nor the agent has participated in the preparation of the above-described documents or made any due diligence inquiry with respect to the Sponsor of the Underlying Asset. Furthermore, we cannot give any assurance that all events occurring prior to the date of the applicable Supplement (including events that would affect the accuracy or completeness of the publicly available documents described herein) that would affect the levels of the Underlying Asset (and therefore the levels of the Underlying Asset at the time we price the Notes) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the Sponsor of the Underlying Asset could affect the interest, payments at maturity or any other amounts payable on your Notes and therefore the market value of the Notes in the secondary market, if any.

Market Disruption Events for Notes with the Underlying Asset Comprised of an Index or Indices

Valuation Dates may be postponed and thus the determination of the index levels may be postponed if the Calculation Agent determines that, on the respective date, a Market Disruption Event has occurred or is continuing in respect of an index.

Any equity security, interest rate, currency exchange rate, currency, commodity or other asset or variable that comprises an index is herein referred to as an “Index Component”.

Any of the following will be a Market Disruption Event with respect to an index:

- a suspension, absence or limitation of trading in Index Components constituting 20% or more, by weight, of that index;

- a suspension, absence or limitation of trading in futures or options contracts relating to that index on their respective markets;

- any event that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants to (i) effect transactions in, or obtain market values for, Index Components constituting 20% or more, by weight, of that index, or (ii) effect transactions in, or obtain market values for, futures or options contracts relating to that index on their respective markets;

- the closure on any day of the primary market for futures or options contracts relating to that index or Index Components constituting 20% or more, by weight, of that index on a scheduled trading day prior to the scheduled weekday closing time of that market (without regard to after hours or any other trading outside of the regular trading session hours) unless such earlier closing time is announced by the primary market at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such primary market on such scheduled trading day for such primary market and (ii) the submission deadline for orders to be entered into the relevant exchange system for execution at the close of trading on such scheduled trading day for such primary market;

- any scheduled trading day on which (i) the primary markets for Index Components constituting 20% or more, by weight, of that index or (ii) the exchanges or quotation systems, if any, on which futures or options contracts on that index are traded, fails to open for trading during its regular trading session; or

- any other event, if the Calculation Agent determines that the event interferes with our ability or the ability of any of our affiliates to unwind all or a portion of a hedge with respect to the Notes that we or our affiliates have effected or may effect as described under “Use of Proceeds and Hedging” in the Base Prospectus.

and, in any of these events, the Calculation Agent determines that the event was material.

The following events will not be a Market Disruption Event:

- a limitation on the hours or number of days of trading on which any Index Component is traded, but only if the limitation results from an announced change in the regular business hours of the relevant market; or

- a decision to permanently discontinue trading in futures or options contracts relating to an index.

For this purpose, an “absence of trading” on an exchange or market will not include any time when the relevant exchange or market is itself closed for trading under ordinary circumstances.

In contrast, a suspension or limitation of trading in futures or options contracts related to the index, if available, in the primary market for those contracts, by reason of any of:

- a price change exceeding limits set by that market,
- an imbalance of orders relating to those contracts, or
- a disparity in bid and ask quotes relating to those contracts,

will constitute a suspension or material limitation of trading in futures or options contracts related to an index in the primary market for those contracts.

If the Calculation Agent determines that a Market Disruption Event occurs or is continuing on any Valuation Date, the Valuation Date will be the first Following Business Day on which the Calculation Agent determines that a Market Disruption Event does not occur and is not continuing. In no event, however, will the Valuation Date be postponed by more than five Business Days. If the Calculation Agent determines that a Market Disruption Event occurs or is continuing on the fifth Business Day, the Calculation Agent will make an estimate of the Closing Level for the Underlying Asset that would have prevailed on that fifth Business Day in the absence of the Market Disruption Event.

If the index is a Basket Component and the Calculation Agent determines that a Market Disruption Event occurs or is continuing with respect to the index on any Basket Valuation Date, the respective date will be postponed as described under "Underlying Assets—Baskets—Market Disruption Events for Notes with the Underlying Asset Comprised of a Basket of Multiple Indices, Equity Securities, Foreign Currencies, Interest Rates, Commodities, Any Other Assets or Any Combination Thereof".

Adjustments Relating to Notes with the Underlying Asset Comprised of an Index

If any Sponsor discontinues publication of or otherwise fails to publish any index comprising the Underlying Asset and that Sponsor or another entity publishes a successor or substitute index that the Calculation Agent determines to be comparable to the discontinued index (that index being referred to herein as a "Successor Index"), then the level will be determined by reference to the level of that Successor Index on the date as of which that level is to be determined.

If a Successor Index is selected by the Calculation Agent, the Successor Index will be used as a substitute for the Underlying Asset for all purposes, including for purposes of determining whether a Market Disruption Event exists with respect to that index.

If (i) the index is discontinued or (ii) a Sponsor fails to publish the index, in either case, prior to (and that discontinuance is continuing on) a Valuation Date and the Calculation Agent determines that no successor or Substitute Index is available at that time, then the Calculation Agent will determine the value to be used for the level. The value to be used for the level will be computed by the Calculation Agent in the same general manner previously used by the related Sponsor and will reflect the performance of that index through the Business Day on which that index was last in effect preceding such date of discontinuance. In that case, the Calculation Agent will treat any Business Day on which the primary exchange for futures or options contracts relating to that index is open for trading as a Business Day for that index for purposes of the determination of the Final Level.

Notwithstanding these alternative arrangements, discontinuance of the publication of any index comprising the Underlying Asset may adversely affect the value of, and trading in, the Notes.

If at any time, there is:

- a material change in the formula for or the method of calculating the level of the Underlying Asset, an index comprising the Underlying Asset, or a Successor Index;

- a material change in the content, composition or constitution of the Underlying Asset, an index comprising the Underlying Asset or a Successor Index;
- a change or modification to the Underlying Asset or a Successor Index such that the Underlying Asset or Successor Index does not, in the opinion of the Calculation Agent, fairly represent the value of that Underlying Asset or Successor Index had those changes or modifications not been made, or
- any other event, if the Calculation Agent determines that the event materially interferes with our ability or the ability of any of our affiliates to unwind all or a material portion of a hedge with respect to the Notes that we or our affiliates have effected or may effect as described under "Use of Proceeds and Hedging" in the Base Prospectus.

then, for purposes of calculating the level of the index, any payments on the Notes or making any other determinations as of or after that time, the Calculation Agent will make those calculations and adjustments as the Calculation Agent determines may be necessary in order to arrive at a level for the index comparable to such index or such Successor Index, as the case may be, as if those changes or modifications had not been made, and calculate the amount of interest, payment at maturity and other amounts payable on the Note (including the individual inputs thereof) with reference to such index or such Successor Index, as adjusted.

The Calculation Agent will make all determinations with respect to adjustments, including any determination as to whether an event requiring adjustment has occurred, as to the nature of the adjustment required and how it will be made. The Calculation Agent will provide information about any adjustments it makes upon your written request.

Commodities

The principal, interest or any other amounts payable on the Notes may be based on a commodity, including price or level movements in or other events relating to those commodities. If an Underlying Asset is comprised of more than one commodity or a commodity and at least one other type of asset, the commodity is a Basket Component.

Commodities Futures Markets

Futures contracts on physical commodities and commodity indices are traded on regulated futures exchanges, and physical commodities and other derivatives on physical commodities and commodity indices are traded in the over-the-counter market and on various types of physical and electronic trading facilities and markets. An exchange-traded futures contract provides for the purchase and sale of a specified type and quantity of a commodity or financial instrument during a stated delivery month for a fixed price. A futures contract on an index of commodities provides for the payment and receipt of cash based on the level of the index at settlement or liquidation of the contract. A futures contract provides for a specified settlement month in which the cash settlement is made or in which the commodity or financial instrument is to be delivered by the seller (whose position is therefore described as "short") and acquired by the purchaser (whose position is therefore described as "long").

There is no purchase price paid or received on the purchase or sale of a futures contract. Instead, an amount of cash or cash equivalents must be deposited with the broker as "initial margin". This amount varies based on the requirements imposed by the exchange clearing houses. This margin deposit provides collateral for the obligations of the parties to the futures contract.

By depositing margin, which may vary in form depending on the exchange, with the clearing house or broker involved, a market participant may be able to earn interest on its margin funds, thereby increasing the total return that it may realize from an investment in futures contracts. The market participant normally makes to, and receives from, the broker subsequent daily payments as the price of the futures contract fluctuates. These payments are called "variation margin" and are made as the existing positions in the futures contract become more or less valuable, a process known as "marking to the market".

Futures contracts are traded on organized exchanges, known as "contract markets" in the U.S. At any time prior to the expiration of a futures contract, subject to the availability of a liquid secondary market, a trader may elect to close out its position by taking an opposite position on the exchange on which the trader obtained the position. This operates to terminate the position and fix the trader's profit or loss. Futures contracts are cleared through the facilities of a centralized clearing house and a brokerage firm, referred to as a "futures commission merchant", which is a member of the clearing house. The clearing house guarantees the performance of each clearing member that is a party to a futures contract by, in effect, taking the opposite side of the transaction. Clearing houses do not guarantee the performance by clearing members of their obligations to their customers.

Unlike equity securities, futures contracts, by their terms, have stated expirations and, at a specified point in time prior to expiration, trading in a futures contract for the current delivery month will cease. As a result, a market participant wishing to maintain its exposure to a futures contract on a particular commodity with the nearest expiration must close out its position in the expiring contract and establish a new position in the contract for the next delivery month, a process referred to as "rolling". For example, a market participant with a long position in November crude oil futures that wishes to maintain a position in the nearest delivery month will, as the November contract nears expiration, sell November futures, which serves to close out the existing long position, and buy December futures. This will "roll" the November position into a December position, and, when the November contract expires, the market participant will still have a long position in the nearest delivery month.

Futures exchanges and clearing houses in the United States are subject to regulation by the Commodities Futures Trading Commission. Exchanges may adopt rules and take other actions that affect trading, including imposing speculative position limits, maximum price fluctuations and trading halts and suspensions and requiring liquidation of contracts in some circumstances. Futures markets outside the United States are generally subject to regulation by comparable regulatory authorities. The structure and nature of trading on non-U.S. exchanges, however, may differ from this description.

Settlement Price

The official U.S. dollar cash buyer settlement price for each commodity will be determined as described below.

- where the commodity is "Aluminum", the official settlement price per tonne of high grade primary aluminum on the London Metal Exchange ("LME") for cash delivery, as stated in U.S. dollars, as determined by the LME;

- where the commodity is "Brent Crude", the closing settlement price per barrel of brent blend crude oil on the International Petroleum Exchange ("IPE") of the futures contract in respect of the first nearby month, stated in U.S. Dollars, as made public by the IPE;

- where the commodity is "Coal", the official price per tonne of steam coal 6,000 kcal/kg, up to 1% sulphur NAR basis, cif ARA, stated in U.S. Dollars, published under the heading "International Coal Indexes incorporating the TFS API(TM) Indices: Monthly Coal Price Indexes: TFS API 2 (cif ARA)" for the preceding calendar month in the issue of Argus/McCloskey's Coal Price Index Report that reports prices effective on that pricing date;

- where the commodity is "Copper", the official settlement price per tonne of copper-Grade A on the LME for cash delivery, stated in U.S. dollars, as determined by the LME;

- where the commodity is "Gold", the afternoon Gold fixing price per troy ounce of unallocated Gold bullion for delivery in London through a member of the London Bullion Market Association ("LBMA") authorized to effect such delivery, stated in U.S. dollars, as calculated by the LBMA;

- where the commodity is "Lead", the official settlement price per tonne of Standard Lead on the LME for cash delivery, stated in U.S. dollars, as determined on the LME;

- where the commodity is "Gas Oil", the closing settlement price per metric ton of gas oil on the IPE of the futures contract in respect of the first nearby month, stated in U.S. dollars, as made public by the IPE;

- where the commodity is “Gasoline RBOB”, the closing settlement price per gallon of New York Harbor Gasoline Blendstock for Oxygen Blending on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX;

- where the commodity is “German Electricity”, the official closing price per MWh of electricity on the European Energy Exchange (“EEX”) of the Phelix Baseload Year futures contract in respect of the first nearby full year, in Euros, as made public by the EEX;

- where the commodity is “Heating Oil”, the closing settlement price per gallon of New York Harbor No. 2 heating oil on the NYMEX of the futures contract in respect of the first nearby month, stated in U.S. dollars, as made public by the NYMEX;

- where the commodity is “Natural Gas”, the closing settlement price per MMBTU of natural gas on the NYMEX of the Henry Hub Natural Gas futures contract in respect of the first nearby month, stated in U.S. Dollars, as made public by NYMEX;

- where the commodity is ”Nickel”, the official settlement price per tonne of primary nickel on the LME for cash delivery, stated in U.S. dollars, as determined by the LME;

- where the commodity is “Palladium”, the afternoon Palladium fixing price per troy ounce of unallocated Palladium bullion for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. dollars, as calculated by the LPPM;

- where the commodity is “Platinum”, the afternoon Platinum fixing price per troy ounce of unallocated Platinum bullion for delivery in Zurich through a member of the London Platinum and Palladium Market (“LPPM”) authorized to effect such delivery, stated in U.S. dollars, as calculated by the LPPM;

- where the commodity is ”Silver”, the Silver fixing price per troy ounce of unallocated Silver bullion for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. dollars, as calculated by the LBMA;

- where the commodity is “Tin”, the official settlement price per tonne of Tin on the LME for cash delivery, stated in U.S. dollars, as determined by the LME;

- where the commodity is “Unleaded Gasoline”, the closing settlement price per gallon of New York Harbor unleaded gasoline on the NYMEX of the futures contract in respect of the first nearby month, stated in U.S. dollars, as made public by the NYMEX;

- where the commodity is “WTI Crude”, the closing settlement price per barrel of West Texas Intermediate light sweet crude oil on the New York Mercantile Exchange (“NYMEX”) of the futures contract in respect of the first nearby month, stated in U.S. dollars, as made public by the NYMEX; and

- where the commodity is “Zinc”, the official settlement price per tonne of special high grade zinc on the LME for cash delivery, as stated in U.S. dollars, as determined by the LME.

Market Disruption Events Relating to Notes with a Commodity as the Underlying Asset

Any of the following will be a Market Disruption Event with respect to a commodity:

- a suspension, absence or limitation of trading in (i) that commodity in its primary market, as determined by the Calculation Agent, or (ii) futures or options contracts relating to that commodity in the primary market for those contracts, as determined by the Calculation Agent;

- any event that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants to (i) effect transactions in, or obtain market values for, the commodity in its primary market, or (ii) effect transactions in, or obtain market values for, futures or options contracts relating the commodity in its primary market;

- the closure on any day of the primary market for that commodity on a scheduled trading day prior to the scheduled weekday closing time of that market (without regard to after hours or any other trading outside of the regular trading session hours) unless such earlier closing time is announced by the primary market at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such primary market on such scheduled trading day for such primary market and (ii) the submission deadline for orders to be entered into the relevant exchange system for execution at the close of trading on such scheduled trading day for such primary market;

- any scheduled trading day on which (i) the primary market for that commodity or (ii) the exchanges or quotation systems, if any, on which futures or options contracts on that commodity are traded, fails to open for trading during its regular trading session; or

- any other event, if the Calculation Agent determines that the event interferes with our ability or the ability of any of our affiliates to unwind all or a portion of a hedge with respect to the Notes that we or our affiliates have effected or may effect as described under "Use of Proceeds and Hedging" in the Base Prospectus.

- and, in any of these events, the Calculation Agent determines that the event was material.

The following events will not be Market Disruption Events:

- a limitation on the hours or numbers of days of trading, but only if the limitation results from an announced change in the regular business hours of the relevant market; or

- a decision to permanently discontinue trading in the futures or options contracts relating to the commodity.

For this purpose, an "absence of trading" in the primary market on which futures or options contracts related to the commodity are traded will not include any time when that market is itself closed for trading under ordinary circumstances.

In contrast, a suspension or limitation of trading in a commodity, or futures or options contracts related to the commodity, if available, in their primary markets, by reason of any of:

- a price change exceeding limits set by that market,

- an imbalance of orders, or

- a disparity in bid and ask quotes,

will constitute a suspension or material limitation of trading.

If the Calculation Agent determines that a Market Disruption Event occurs or is continuing on any Valuation Date, the Valuation Date will be the first Following Business Day on which the Calculation Agent determines that a Market Disruption Event does not occur and is not continuing. In no event, however, will the Valuation Date be postponed by more than five Business Days. If the Calculation Agent determines that a Market Disruption Event occurs or is continuing on the fifth Business Day, the Calculation Agent will make an estimate of the settlement price for the commodity that would have prevailed on that fifth Business Day in the absence of the Market Disruption Event.

If the commodity is a Basket Component and the Calculation Agent determines that a Market Disruption Event occurs or is continuing with respect to a commodity on any Basket Valuation Date, the respective date will be postponed as described under “Underlying Assets—Baskets—Market Disruption Events for Notes with the Underlying Asset Comprised of a Basket of Multiple Indices, Equity Securities, Foreign Currencies, Interest Rates, Commodities, Any Other Assets or Any Combination Thereof”.

Discontinuation of Trading; Alteration of Method of Calculation

If the relevant exchange discontinues trading in any commodity, the Calculation Agent may replace the commodity with another commodity, whose settlement price is quoted on that exchange or any other exchange that the Calculation Agent determines to be comparable to the discontinued commodity (a “Successor Commodity”).

If the relevant exchange discontinues trading in the commodity comprising the Underlying Asset prior to, and the discontinuance is continuing on, any Valuation Date and the Calculation Agent determines that no Successor Commodity is available at that time, then the Calculation Agent will determine the settlement price for that date.

Notwithstanding these alternative arrangements, discontinuance of trading on the applicable exchange in any commodity may adversely affect the market value of the Notes.

If at any time (i) the method of calculating the official U.S. dollar cash buyer settlement price of a commodity is changed in a material respect by the applicable exchange or any other relevant exchange, (ii) there is a material change in the composition or constitution of a commodity or (iii) if the reporting thereof is in any other way modified so that the settlement price does not, in the opinion of the Calculation Agent, fairly represent the settlement price of the commodity, the Calculation Agent shall, at the close of business in New York City on each Business Day on which the settlement price is to be determined, make those calculations and adjustments as, in the judgment of the Calculation Agent, may be necessary in order to arrive at a settlement price for the commodity comparable to such commodity or such Successor Commodity, as the case may be, as if those changes or modifications had not been made, and calculate the amount of interest, payment at maturity and other amounts payable on the Note (including the individual inputs thereof) with reference to such commodity or such Successor Commodity, as adjusted.

Currency Exchange Rates

The principal, interest or any other amounts payable on the Notes may be based on a currency exchange rate, including level movements in or other events relating to the currency exchange rates. If an Underlying Asset is comprised of more than one currency exchange rate or a currency exchange rate and at least one other type of asset, the currency exchange rate is a Basket Component.

To the extent that amounts payable on the Notes are based on an Underlying Asset comprised of one or more of the currency exchange rates below, the level with respect to that exchange rate on any day will equal the currency exchange rate as determined by the Calculation Agent by reference to the mechanics specified below:

- where the currency exchange rate is “ARS”, the Argentine Peso/U.S. Dollar official fixing rate, expressed as the amount of Argentine Pesos per one U.S. Dollar for settlement on the same day (or, if that day is not a Business Day in New York, for settlement on the first succeeding day that is a Business Day in both Buenos Aires and New York) which appears on the Reuters Screen BNAR page at the close of business in Buenos Aires on the relevant Valuation Date;

- where the currency exchange rate is “AUD”, U.S. Dollar/Australian Dollar official fixing rate, expressed as the amount of U.S. Dollars per one Australian Dollar, for settlement in two Business Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen 1FEE to the right of the caption “AUD” at approximately 12:00 p.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is “BRL”, the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reals per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 (“Consulta de Cambio” or exchange rate Inquiry), Option 5 (“Cotacoes para

Contabilidade" or Rates for Accounting Purposes), which appears on Reuters Screen "BRFR" page under the caption "Dolar PTAX" at approximately 6:30 pm, Sao Paolo time, on the relevant Valuation Date;

- where the currency exchange rate is "CAD", the Canadian Dollar/U.S. Dollar official fixing rate, expressed as the amount of Canadian Dollars per one U.S. Dollar, for settlement in one Business Day reported by the Federal Reserve Bank of New York which appears on Reuters Screen 1FED to the right of the caption "CAD" at approximately 10:00 a.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "CLP", the Chilean Peso/U.S. Dollar observed rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day (or, if that day is not a Business Day in New York, for settlement on the first succeeding day that is a Business Day in both Santiago and New York) reported by the Banco Central de Chile which appears on the Reuters Screen "BCCH" page under the caption "OBSERVADO" at 10:00 a.m., Santiago time, on the first Business Day following the relevant Valuation Date;

- where the currency exchange rate is "CNY", the Chinese Yuan/U.S. Dollar official fixing rate, expressed as the amount of Chinese Yuan per one U.S. Dollar, for settlement in two Business Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen 1FEE to the right of the caption "CNY" at approximately 12:00 p.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "COP", the Colombian Peso/U.S. Dollar official fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day (unless that day is not a Business Day in New York, then for settlement on the first succeeding day that is a Business Day in Bogota and New York) reported by the Colombian Banking Superintendency as the "TASA Representative del Mercado" as of 12:00 noon, Bogota time, on the first Business Day following the relevant Valuation Date;

- where the currency exchange rate is "CZK", the Czech Koruna/Euro fixing rate, expressed as the amount of Czech Koruna per one Euro which appears on Reuters Screen ECB37 to the right of the caption "CZK" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "DKK", the Danish Krone/Euro fixing rate, expressed as the amount of Danish Krone per one Euro which appears on Reuters Screen ECB37 to the right of the caption "DKK" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "ECS", the Ecuadorian Sucre/U.S. Dollar official fixing rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day (where that day is a Business Day in Guayaquil and New York) which appears on the Reuters Screen "DNRP" page at 12:00 noon, Guayaquil time, on the relevant Valuation Date;

- where the currency exchange rate is "EUR", one divided by the U.S. Dollar/Euro official fixing rate, expressed as the amount of U.S. Dollars per one Euro, for settlement in two Business Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen 1FED to the right of the caption "EUR" at approximately 10:00 a.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "GBP", one divided by the U.S. Dollar/Sterling official fixing rate, expressed as the amount of U.S. Dollars per one Pound Sterling, for settlement in two Business Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen 1FED to the right of the caption "GBP" at approximately 10:00 a.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "HKD", the Hong Kong Dollar/U.S. Dollar official fixing rate, expressed as the amount of Hong Kong Dollars per one U.S. Dollar, for settlement in two Business

Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen 1FEE to the right of the caption "HKD" at approximately 12:00 p.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "HUF", the Hungarian Forint/Euro fixing rate, expressed as the amount of Hungarian Forint per one Euro which appears on Reuters Screen ECB37 to the right of the caption "HUF" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "IDR", the Indonesian Rupiah/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore which appears on the Reuters page "ABSIRFIX01" to the right of the caption "Spot" under the column "IDR" at approximately 11:30 a.m., Singapore time, on the relevant Valuation Date;

- where the currency exchange rate is "ILS", the Israeli Shekel/U.S. Dollar official fixing rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters "BOIJ" page as of 1:00 p.m., Tel Aviv time, on the relevant Valuation Date;

- where the currency exchange rate is "INR", the spot rate for the relevant Valuation Date will be the Indian Rupee/U.S. Dollar reference rate, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days reported by the Reserve Bank of India which appears on the Reuters Screen "RBIB" page at approximately 12:30 p.m., Mumbai time, or as soon thereafter as practicable, on the relevant Valuation Date;

- where the currency exchange rate is "ISK", the Icelandic Krona/Euro fixing rate, expressed as the amount of Icelandic Krona per one Euro which appears on Reuters Screen ECB37 to the right of the caption "ISK" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "JPY", the Japanese Yen/U.S. Dollar official fixing rate, expressed as the amount of Japanese Yen per one U.S. Dollar, for settlement in two Business Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen "1FED" to the right of the caption "JPY" at approximately 10:00 a.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "KRW", the Korean Won/U.S. Dollar market average rate (official fixing), expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on the Reuters Screen "KFTC18" page under the heading "KRW" and in the row "USD" between the hours of 8:00 a.m. and 9:00 a.m., Seoul time, on the first Business Day following the relevant Valuation Date;

- where the currency exchange rate is "LBP", the Lebanese Pound/U.S. Dollar official fixing rate, expressed as the amount of Lebanese Pounds per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen "BDLX" page as of 12:00 noon, Beirut time, on the relevant Valuation Date;

- where the currency exchange rate is "MAD", the Moroccan Dirham/U.S. Dollar official fixing rate, expressed as the amount of Moroccan Dirham per one U.S. Dollar, for settlement in two Business Days reported by the Central Bank of Morocco as of 1:00 p.m., Rabat time, on the relevant Valuation Date;

- where the currency exchange rate is "MXP", the Mexican Pesos/U.S. Dollar official fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on the Reuters Screen "BNMX" page opposite the caption "Fix" at the close of business in Mexico City on the relevant Valuation Date;

- where the currency exchange rate is "MYR", the Malaysian Ringgit/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore, which appears on the Reuters page "ABSIRFIX01" to the right of the caption "Spot" under the column "MYR" at approximately 11:30 a.m., Singapore time, on the relevant Valuation Date;

- where the currency exchange rate is "NOK", the Norwegian Krone/Euro fixing rate, expressed as the amount of Norwegian Krone per one Euro which appears on Reuters Screen "ECB37" to the right of the caption "NOK" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "NZD", the New Zealand Dollar/U.S. Dollar official fixing rate, expressed as the amount of New Zealand Dollars per one U.S. Dollar, for settlement in two Business Days reported by the Federal Reserve Bank of New York which appears on Reuters Screen "1FEE" to the right of the caption "NZD" at approximately 12:00 p.m., New York time, on the relevant Valuation Date;

- where the currency exchange rate is "PEN", the Peruvian Sol/U.S. Dollar fixing rate (mid market last), expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen "PDSB" page opposite the caption "PEN=" as of 12:00 noon, Lima time, on the relevant Valuation Date;

- where the currency exchange rate is "PHP", the Philippine Peso/U.S. Dollar tom rate (mid market), expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day which appears on the Reuters Screen "PHPESO" page at approximately 11:00 a.m., Manila time, on the relevant Valuation Date;

- where the currency exchange rate is "PLN", the Polish Zloty/Euro fixing rate, expressed as the amount of Polish Zloty per one Euro which appears on Reuters Screen ECB37 to the right of the caption "PLN" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "PKR", the Pakistan Rupee/U.S. Dollar reference rate, expressed as the amount of Pakistan Rupee per one U.S. Dollar, for settlement in two Business Days which appears on Reuters Screen "SBPK" page at the specified time, if any, on the relevant Valuation Date;

- where the currency exchange rate is "PLZ", the Polish Zloty/U.S. Dollar fixing rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen "NBPR" page at the specified time, if any, on the relevant Valuation Date;

- where the currency exchange rate is "RUB", the Russian Ruble/U.S. Dollar official fixing rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by the Chicago Mercantile Exchange pursuant to its arrangement with the Emerging Markets Traders Association which appears on the Reuters Screen "EMTA" page as of 11:00 a.m., Moscow time, on the relevant Valuation Date;

- where the currency exchange rate is "SEK", the Swedish Krona/Euro fixing rate, expressed as the amount of Swedish Krona per one Euro which appears on Reuters Screen "ECB37" to the right of the caption "SEK" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "SGD", the Singapore Dollar/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Singapore Dollar per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore which appears on the Reuters page "ABSIRFIX01" to the right of the caption "Spot" under the column "SGD" at approximately 11:30 a.m., Singapore time, on the relevant Valuation Date;

- where the currency exchange rate is "SKK", the Slovak Koruna/U.S. Dollar official fixing rate, expressed as the amount of Slovak Koruna per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Slovakia which appears on the Reuters Screen "NBSB" page as of 11:40 a.m., Bratislava time, on the relevant Valuation Date;

- where the currency exchange rate is "THB", the Thai Baht/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Thai Baht per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore which appears on the Reuters page "ABSIRFIX01" to the right of the caption "Spot" under the column "THB" at approximately 11:30 a.m., Singapore time, on the relevant Valuation Date;

- where the currency exchange rate is "TRY", the Turkish Lira/Euro fixing rate, expressed as the amount of Turkish Lira per one Euro which appears on Reuters Screen "ECB37" to the right of the caption "TRY" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "TWD", the Taiwanese Dollar/U.S. Dollar specified rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen "TFEMA" page as of 11:00 a.m., Taipei time, on the relevant Valuation Date;

- where the currency exchange rate is "UAH", the Ukrainian Hryvnia/U.S. Dollar interbank rate, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same day reported by the Ukraine Interbank Currency Exchange which appears on the Reuters Screen "UICE1" page at the specified time, if any, on the relevant Valuation Date;

- where the currency exchange rate is "USD", the U.S. Dollar/Euro fixing rate, expressed as the amount of U.S. Dollar per one Euro which appears on Reuters Screen ECB37 to the right of the caption "USD" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date;

- where the currency exchange rate is "VER", the Venezuelan Bolivar/U.S. Dollar tipo de câmbio referencial rate, expressed as the amount of Venezuelan Bolivar per one U.S. Dollar, for settlement in two Business Days (where these days are Business Days in both Caracas and New York) reported by the Banco Central de Venezuela which appears on the Reuters Screen "VBCV" page at approximately 5:00 p.m., Caracas time, on the relevant Valuation Date; and

- where the currency exchange rate is "ZAR", the South African Rand/Euro fixing rate, expressed as the amount of South African Rand per one Euro which appears on Reuters Screen "ECB37" to the right of the caption "ZAR" at approximately 2:15 p.m., Central European time, on the relevant Valuation Date.

The screen or time of observation indicated in relation to any currency exchange rate above shall be deemed to refer to that screen or time of observation as modified or amended from time to time, or to any substitute screen thereto.

To the extent that amounts payable on the Notes are based on an Underlying Asset comprised of one or more currency exchange rates not described above, the Closing Level of that currency exchange rate on any day will equal the currency exchange rate as determined by the Calculation Agent by reference to the mechanics, the Reuters Screen, Bloomberg Page or other pricing source and the time specified in the applicable Supplement.

Market Disruption Events Relating to Notes with the Underlying Asset Comprised of a Currency Exchange Rate or Currency Exchange Rates

Any of the following will be a Market Disruption Event where the Underlying Asset is comprised of a currency exchange rate or exchanges rates:

- any event or any condition (including without limitation any event or condition that occurs as a result of the enactment, promulgation, execution, ratification, interpretation or application of, or any change in or amendment to, any law, rule or regulation by any applicable governmental authority) that results in an illiquid market for currency transactions or that generally makes it impossible, illegal or impracticable for market participants, or hinders their abilities, (a) to convert from one foreign currency to another through customary commercial channels, (b) to effect currency transactions or (c) to obtain the currency exchange rate by reference to the applicable price source;

- (i) the declaration of a banking moratorium or (ii) the suspension of payments by banks, in either case, in the country of any currency used to determine the applicable currency exchange rate or (iii) the declaration of capital and/or currency controls (including without limitation any restriction placed on assets in or transactions through any account through which a non-resident of the country of any currency used to determine the applicable currency exchange rate may hold assets or transfer monies outside the country of that currency, and any restriction on the transfer of funds, securities or other assets of market participants from or within or outside of the country of any currency used to determine the applicable currency exchange rate); or

- any other event, if the Calculation Agent determines that the event interferes with our ability or the ability of any of our affiliates to unwind all or a portion of a hedge with respect to the Notes that we or our affiliates have effected or may effect as described under "Use of Proceeds and Hedging" in the Base Prospectus;

- and, in any of these events, the Calculation Agent determines that the event was material.

If the Calculation Agent determines that a Market Disruption Event occurs or is continuing on any Valuation Date, the Valuation Date will be the first Following Business Day on which the Calculation Agent determines that a Market Disruption Event does not occur and is not continuing. In no event, however, will the Valuation Date be postponed by more than five Business Days. If the Calculation Agent determines that a Market Disruption Event occurs or is continuing on the fifth Business Day, the Calculation Agent will make an estimate of the currency exchange rate for the currency that would have prevailed on that fifth Business Day in the absence of the Market Disruption Event.

If the currency exchange rate is a Basket Component and the Calculation Agent determines that a Market Disruption Event occurs or is continuing with respect to a currency exchange rate on any Basket Valuation Date, the respective date will be postponed as described under "Underlying Assets—Baskets—Market Disruption Events for Notes with the Underlying Asset Comprised of a Basket of Multiple Indices, Equity Securities, Foreign Currencies, Interest Rates, Commodities, Any Other Assets or Any Combination Thereof".

Adjustments Relating to Notes with the Underlying Asset Comprised of a Currency Exchange Rate or Currency Exchange Rates

If the Calculation Agent determines that (i) any currency exchange rate has been removed from circulation or otherwise discontinued and (ii) banks dealing in foreign exchange and foreign currency deposits in the underlying currency commence trading a successor or substitute currency substantially similar to the foreign currency that the Calculation Agent determines is comparable to the discontinued currency (that currency being referred to herein as a "Successor Currency"), then the level for the currency will be determined by reference to the value of the Successor Currency at the time determined by the Calculation Agent on the markets for the Successor Currency on the relevant Valuation Date.

If the Calculation Agent determines that any Successor Currency shall be utilized for purposes of calculating the level of the currency comprising the currency exchange rate, or making any other determinations as of or after that time, the Calculation Agent will make those calculations and adjustments as, in judgment of the Calculation Agent, may be necessary in order to arrive at a value of a currency exchange rate for a currency comparable to the underlying currency, as if those changes or modifications had not been made, and shall calculate the payment at maturity (including the individual inputs thereof) and the Final Level with reference to that currency or the Successor Currency, as adjusted. In this event, the Calculation Agent will provide written notice to the trustee thereof, and the trustee will furnish written notice thereof, to the extent the trustee is required to under the senior debt indenture, to each noteholder, or in the case of Global Notes, the depositary, as holder of the Global Notes.

Notwithstanding these alternative arrangements, discontinuance of the publication of the level of any currency comprising the currency exchange rate may adversely affect the value of, and trading in, the Notes.

If at any time the method of calculating the level of a currency or a Successor Currency, or the value thereof, is changed in a material respect, or is in any other way modified so that the conventional market quotation does not, in the opinion of the Calculation Agent, fairly represent the value of that currency or Successor Currency had those changes or modifications not been made, then, for purposes of calculating any level, the payment at maturity or making any other determinations as of or after that time, the Calculation Agent will make those calculations and adjustments as the Calculation Agent determines may be necessary in order to arrive at a value for that currency comparable to the underlying currency comprising the currency exchange rate or that Successor Currency, as the case may be, as if those changes or modifications have not been made, and calculate the amount of interest, payment at maturity and other amounts payable on the Note (including the individual inputs thereof) with reference to the currency or the Successor Currency, as adjusted.

Baskets

The principal, interest or any other amounts payable on the Notes may be based on a basket of multiple instruments or measures, including but not limited to equity securities, commodities, indices, foreign currencies, interest rates and/or any combination thereof.

To the extent that a component of a basket is comprised of an asset type herein described, see the applicable section under the heading "Underlying Assets" for further information that may affect that component of the basket, and therefore the Underlying Asset of your Notes.

Market Disruption Events for Notes with the Underlying Asset Comprised of a Basket of Multiple Indices, Equity Securities, Foreign Currencies, Interest Rates, Commodities, Any Other Assets or Any Combination Thereof

With respect to each Basket Component, a Market Disruption Event will be described in the section of this Product Supplement applicable to that Basket Component.

For example, the "Underlying Assets – Securities or Linked Shares" section describes the circumstances under which the Calculation Agent may determine that there is a Market Disruption Event with respect to a Basket Component that consists of an equity security.

The Basket Valuation Date will be the date stated in the applicable Supplement, unless the Calculation Agent determines that a Market Disruption Event occurs or is continuing on that respective day.

If no Market Disruption Event exists with respect to a Basket Component on a Basket Valuation Date, such Basket Component's level, value or price shall be determined on the scheduled Basket Valuation Date. To the extent that a Market Disruption Event exists with respect to a component on the Basket Valuation Date, the price, value or level of that disrupted Basket Component shall be determined in accordance with the procedures set forth above for the specific Underlying Asset type of the Basket Component.

Adjustments Relating to Notes with the Underlying Asset Comprised of a Basket

If the Calculation Agent substitutes a Successor Index, Successor Currency or Successor Commodity, as the case may be, or otherwise affects or modifies the Underlying Asset, the Calculation Agent will make those calculations and adjustments as, in judgment of the Calculation Agent, may be necessary in order to arrive at a basket comparable to the original basket (including without limitation changing the percentage weights of the Basket Components), as if those changes or modifications had not been made, and shall calculate the amount of interest, payment at maturity and other amounts payable on the Note (including the individual inputs thereof) with reference to that basket or the Successor Basket (as described below), as adjusted. In this event, the Calculation Agent will provide written notice to the trustee thereof, and the trustee will furnish written notice thereof, to the extent the trustee is required to under the senior debt indenture, to each noteholder, or in the case of Global Notes, the depositary, as holder of the Global Notes.

In the event of the adjustment described above, the newly composed basket is referred to herein as the "Successor Basket" and will be used as a substitute for the original basket for all purposes.

If the Calculation Agent determines that the available successors as described above do not fairly represent the value of the original Basket Component or Basket, as the case may be, then the Calculation Agent will determine the level, value or price of the Basket Component or the Basket Level for any Basket Valuation Date as described under "Underlying Assets—Indices—Adjustments Relating to Notes with the Underlying Asset Comprised of an Index" with respect to indices comprising the Basket Component, "Underlying Assets—Commodities—Discontinuation of Trading; Alteration of Method of Calculation" with respect to commodities comprising the Basket Component and "Underlying Assets—Currency Exchange Rates—Adjustments Relating to Notes with the Underlying Asset Comprised of a Currency Exchange Rate or Currency Exchange Rates" with respect to currency exchange rates comprising the Basket Component.

Notwithstanding these alternative arrangements, discontinuance of trading on the applicable exchanges or markets in any Basket Component may adversely affect the market value of the Notes.

Underlying Asset Information Provider

The Notes have not been passed on by the information provider of the Underlying Asset as to their legality or suitability. The Notes are not issued, endorsed, sponsored or promoted by and are not financial or legal obligations of the information provider of the Underlying Asset. The trademarks, service marks or registered trademarks of the information provider of the Underlying Asset are the property of their respective owners. The information provider of the Underlying Asset makes no warranties and bears no liabilities with respect to the Notes or to the administration or operation of the Notes.

Applicable historical data on the Underlying Asset will be provided in the applicable Supplement.

The possible "information providers" of the Underlying Assets are Bloomberg screen, Reuters Screen, Telerate or any other information provider as specified in the applicable Supplement.

Bloomberg screen

"Bloomberg screen" means, when used in connection with any designated pages, the display page so designated on the Bloomberg service (or any other page as may replace that page on that service, or any other service as may be nominated as the information vendor).

Reuters Screen

"Reuters Screen" means, when used in connection with any designated page, the display page so designated on the Reuters Money 3000 Service (or any other page as may replace that page on that service for the purpose of displaying rates or prices).

Telerate

"Telerate" means, when used in connection with any designated page, the display page so designated on the Moneyline Telerate Service (or any other page as may replace that page on that service, or any other service as may be nominated as the information vendor).

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