

Units
\$10 principal amount per unit
CUSIP No.

Pricing Date* March , 2013
Settlement Date* March , 2013
Maturity Date* March , 2014



*Subject to change based on the actual date the notes are priced for initial sale to the public (the "pricing date")

Strategic Accelerated Redemption Securities[®] Linked to the Common Stock of Ford Motor Company

- Automatically callable if the Observation Level of the Underlying Stock on any Observation Date, occurring approximately six, nine, and twelve months after the pricing date, is at or above the Starting Value
- In the event of an automatic call, the amount payable per unit will be:
 - [\$10.550 to \$10.750] if called on the first Observation Date
 - [\$10.825 to \$11.125] if called on the second Observation Date
 - [\$11.100 to \$11.500] if called on the final Observation Date
- If not called on the first or second Observation Dates, a maturity of approximately one year
- If not called, 1-to-1 downside exposure to decreases in the Underlying Stock beyond a 5% decline, with up to 95% of the Original Offering Price at risk
- All payments are subject to the credit risk of HSBC USA Inc.
- No interest payments
- No listing on any securities exchange



The notes are being issued by HSBC USA Inc. ("HSBC"). Investing in the notes involves a number of risks. There are important differences between the notes and a conventional debt security, including different investment risks. See "Risk Factors" on page TS-5 of this term sheet and "Risk Factors" beginning on page S-9 of product supplement STOCK STR-1.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the notes or passed upon the accuracy or adequacy of this document, the accompanying product supplement, prospectus or prospectus supplement. Any representation to the contrary is a criminal offense.

| | Per Unit | Total |
|---|----------|-------|
| Public offering price ⁽¹⁾⁽²⁾ | \$10.000 | \$ |
| Underwriting discount ⁽¹⁾⁽²⁾ | \$ 0.125 | \$ |
| Proceeds, before expenses, to HSBC | \$ 9.875 | \$ |

- (1) For any purchase of 500,000 units or more in a single transaction by an individual investor, the public offering price and the underwriting discount will be \$9.975 per unit and \$0.10 per unit, respectively.
- (2) For any purchase by certain fee-based trusts and discretionary accounts managed by U.S. Trust operating through Bank of America, N.A., the public offering price and underwriting discount will be \$9.875 per unit and \$0.00 per unit, respectively. See as well "Supplement to the Plan of Distribution."

The notes:

| | | |
|-----------------------------|--------------------------------|-----------------------|
| Are Not FDIC Insured | Are Not Bank Guaranteed | May Lose Value |
|-----------------------------|--------------------------------|-----------------------|

Merrill Lynch & Co.

March , 2013

Summary

The Strategic Accelerated Redemption Securities® Linked to the Common Stock of Ford Motor Company, due March , 2014 (the "notes") are our senior unsecured debt securities and are not a direct or indirect obligation of any third party. The notes are not deposit liabilities or other obligations of a bank and are not guaranteed or insured by the Federal Deposit Insurance Corporation or any other governmental agency of the United States or any other jurisdiction. **The notes will rank equally with all of our other senior unsecured debt. Any payments due on the notes, including any repayment of principal, depends on the credit risk of HSBC and its ability to satisfy its obligations as they come due.** The notes will be automatically called at the applicable Call Amount if the Observation Level of the common stock of Ford Motor Company on any Observation Date is equal to or greater than the Starting Value. If your notes are not called, you may lose a portion, which could be significant, of the principal amount of your notes.

The terms and risks of the notes are contained in this term sheet and the documents listed below (together, the "Note Prospectus"). The documents have been filed as part of a registration statement with the SEC, which may, without cost, be accessed on the SEC website as indicated below or obtained from MLPF&S by calling 1-866-500-5408:

- Product supplement STOCK STR-1 dated April 12, 2012:
http://www.sec.gov/Archives/edgar/data/83246/000114420412021272/v309120_424b2.htm
- Prospectus supplement dated March 22, 2012:
<http://www.sec.gov/Archives/edgar/data/83246/000104746912003151/a2208335z424b2.htm>
- Prospectus dated March 22, 2012:
<http://www.sec.gov/Archives/edgar/data/83246/000104746912003148/a2208395z424b2.htm>

Our Central Index Key, or CIK, on the SEC Website is 83246.

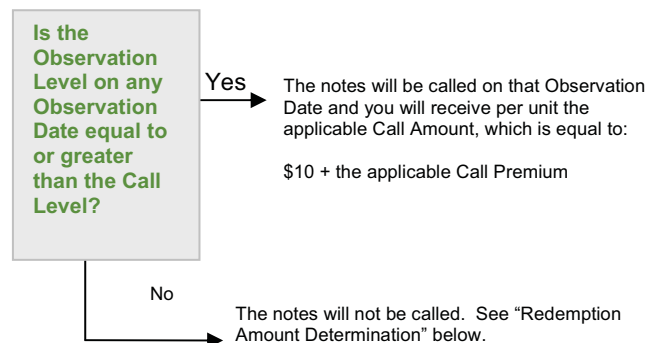
Before you invest, you should read the Note Prospectus, including this term sheet, for information about us and this offering. Any prior or contemporaneous oral statements and any other written materials you may have received are superseded by the Note Prospectus. You should carefully consider, among other things, the matters set forth under "Risk Factors" in the sections indicated on the cover of this term sheet. The notes involve risks not associated with conventional debt securities. Capitalized terms used but not defined in this term sheet have the meanings set forth in product supplement STOCK STR-1. Unless otherwise indicated or unless the context requires otherwise, all references in this document to "we," "us," "our," or similar references are to HSBC.

Terms of the Notes

| | |
|---|--|
| Issuer: | HSBC USA Inc. ("HSBC") |
| Original Offering Price: | \$10.00 per unit |
| Term: | Approximately one year |
| Underlying Stock: | Common stock of Ford Motor Company (the "Underlying Company") (NYSE symbol: "F") |
| Starting Value: | The Volume Weighted Average Price on the pricing date |
| Volume Weighted Average Price: | The volume weighted average price (rounded to two decimal places) shown on page "AQR" on Bloomberg L.P. for trading in shares of the Underlying Stock taking place from approximately 9:30 a.m. to 4:02 p.m. on all U.S. exchanges. |
| Ending Value: | The Observation Level on the final Observation Date. |
| Observation Level: | The Closing Market Price of one share of the Underlying Stock on any Observation Date, multiplied by the Price Multiplier. |
| Observation Dates: | September , 2013, December , 2013, and March , 2014 (the final Observation Date), approximately six, nine, and twelve months after the pricing date. The Observation Dates are subject to postponement in the event of Market Disruption Events, as described on page S-20 of product supplement STOCK STR-1. |
| Call Level: | 100% of the Starting Value |
| Call Amounts (per Unit) and Call Premiums: | <p>[\$10.550 to \$10.750], representing a Call Premium of [5.50% to 7.50%] of the Original Offering Price, if called on the first Observation Date;</p> <p>[\$10.825 to \$11.125], representing a Call Premium of [8.25% to 11.25%] of the Original Offering Price, if called on the second Observation Date; and</p> <p>[\$11.100 to \$11.500], representing a Call Premium of [11.00% to 15.00%] of the Original Offering Price, if called on the final Observation Date.</p> <p>The actual Call Amounts and Call Premiums will be determined on the pricing date.</p> |
| Call Settlement Dates: | The fifth business day following the applicable Observation Date, subject to postponement as described on page S-20 of product supplement STOCK STR-1; provided however, that the Call Settlement Date related to the final Observation Date will be the maturity date. |
| Threshold Value: | 95% of the Starting Value, rounded to two decimal places. |
| Price Multiplier: | 1, subject to adjustment for certain corporate events relating to the Underlying Stock described beginning on page S-23 of product supplement STOCK STR-1. |
| Calculation Agent: | Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") and HSBC, acting jointly. |
| Fees Charged: | The public offering price of the notes includes the underwriting discount of \$0.125 per unit as listed on the cover page and an additional charge of \$0.05 per unit more fully described on page TS-7. |

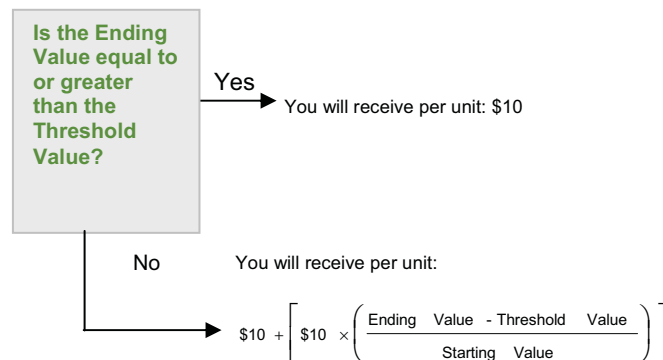
Payments Determination

Automatic Call Provision:



Redemption Amount Determination:

If the notes are not called, you will receive the Redemption Amount per unit on the maturity date, determined as follows:



In this case, you will receive a Redemption Amount that is less, and possibly significantly less, than the Original Offering Price.

Investor Considerations

You may wish to consider an investment in the notes if:

- You anticipate that the Observation Level of the Underlying Stock on any of the Observation Dates will be equal to or greater than the Starting Value, and, in that case, you accept an early exit from your investment.
- You accept that the return on the notes, if any, will be limited to the return represented by the applicable Call Premium even if the percentage change in the price of the Underlying Stock is significantly greater than the applicable Call Premium.
- If the notes are not called, you accept that your investment will result in a loss, which could be significant, if the Ending Value is below the Threshold Value.
- You are willing to forgo the interest payments that are paid on traditional interest bearing debt securities.
- You are willing to forgo dividends or other benefits of owning shares of the Underlying Stock.
- You are willing to accept that a secondary market is not expected to develop for the notes, and understand that the market prices for the notes, if any, may be less than the Original Offering Price and will be affected by various factors, including our actual and perceived creditworthiness, and the fees charged, as described on page TS-2.
- You are willing to assume our credit risk, as issuer of the notes, for all payments under the notes, including the Call Amounts and the Redemption Amount.

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

- You wish to make an investment that cannot be automatically called prior to maturity.
- You believe that the price of the Underlying Stock will decrease from the Starting Value to the Ending Value.
- You anticipate that the Observation Level will be less than the Call Level on each Observation Date.
- You seek an uncapped return on your investment.
- You seek 100% return of principal at maturity.
- You seek interest payments or other current income on your investment.
- You want to receive dividends or other distributions paid on the Underlying Stock.
- You seek an investment for which there will be a liquid secondary market.
- You are unwilling or are unable to take market risk on the notes or to take our credit risk as issuer of the notes.

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

Hypothetical Payments

The following examples are for purposes of illustration only. They are based on **hypothetical** values and show **hypothetical** returns on the notes. **The actual amount you receive and the resulting return will depend on the actual Starting Value, Threshold Value, Call Level, Observation Levels, Call Premiums, and the term of your investment.** The following examples do not take into account any tax consequences from investing in the notes. These examples are based on:

- 1) a Starting Value of 100.00;
- 2) a Threshold Value of 95.00;
- 3) a Call Level of 100.00;
- 4) an expected term of the notes of approximately one year if the notes are not called;
- 5) a Call Premium of 6.50% of the Original Offering Price if the notes are called on the first Observation Date, 9.75% if called on the second Observation Date, and 13.00% if called on the final Observation Date (the midpoint of the applicable Call Premium ranges); and
- 6) Observation Dates occurring approximately six, nine, and twelve months after the pricing date.

The **hypothetical** Starting Value of 100.00 used in these examples has been chosen for illustrative purposes only, and does not represent a likely actual Starting Value of the Underlying Stock. For recent actual prices of the Underlying Stock, see “The Underlying Stock” section below. In addition, all payments on the notes are subject to issuer credit risk.

Notes Are Called on an Observation Date

The notes will be called at \$10.000 plus the applicable Call Premium on one of the Observation Dates if the Observation Level is equal to or greater than the Call Level.

Example 1 – The Observation Level on the first Observation Date is 110.00. Therefore, the notes will be called at \$10.000 plus the Call Premium of \$0.650 = \$10.650 per unit. After the notes are called, they will no longer remain outstanding and there will not be any further payments on the notes.

Example 2 – The Observation Level on the first Observation Date is below the Call Level, but the Observation Level on the second Observation Date is 105.00. Therefore, the notes will be called at \$10.000 plus the Call Premium of \$0.975 = \$10.975 per unit. After the notes are called, they will no longer remain outstanding and there will not be any further payments on the notes.

Example 3 – The Observation Levels on the first and second Observation Dates are below the Call Level, but the Observation Level on the third and final Observation Date is 105.00. Therefore, the notes will be called at \$10.000 plus the Call Premium of \$1.300 = \$11.300 per unit.

Notes Are Not Called on Any Observation Date

Example 4 – The notes are not called on any Observation Date and the Ending Value is 97.00, which is greater than the Threshold Value. Therefore, the Redemption Amount per unit will be \$10.000.

Example 5 – The notes are not called on any Observation Date and the Ending Value is less than the Threshold Value. The Redemption Amount will be less, and possibly significantly less, than the Original Offering Price. For example, if the Ending Value is 80.00, the Redemption Amount per unit will be:

$$\$10 + \left[\$10 \times \left(\frac{80.00 - 95.00}{100.00} \right) \right] = \$8.500$$

Summary of the Hypothetical Examples

| | Notes Are Called on an Observation Date | | | Notes Are Not Called on Any Observation Date | |
|---|---|-----------|-----------|--|-----------|
| | Example 1 | Example 2 | Example 3 | Example 4 | Example 5 |
| Starting Value | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Call Level | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Threshold Value | 95.00 | 95.00 | 95.00 | 95.00 | 95.00 |
| Observation Level on the First Observation Date | 110.00 | 90.00 | 90.00 | 93.00 | 88.00 |
| Observation Level on the Second Observation Date | N/A | 105.00 | 83.00 | 85.00 | 78.00 |
| Observation Level on the Final Observation Date | N/A | N/A | 105.00 | 97.00 | 80.00 |
| Total Return of the Underlying Stock ⁽¹⁾ | 11.65% | 7.35% | 8.13% | 0.13% | -16.87% |
| Return of the Notes | 6.50% | 9.75% | 13.00% | 0.00% | -15.00% |
| Call Amount / Redemption Amount per Unit | \$10.650 | \$10.975 | \$11.300 | \$10.000 | \$8.500 |

⁽¹⁾ The total return of the Underlying Stock assumes:

- (a) the percentage change in the price of the Underlying Stock from the Starting Value to the Observation Level or Ending Value, as applicable;
- (b) a constant dividend yield of 3.07% per annum; and
- (c) no transaction fees or expenses.

Risk Factors

We urge you to read the section “Risk Factors” in the product supplement and in the accompanying prospectus supplement. Investing in the notes is not equivalent to investing directly in the Underlying Stock. You should understand the risks of investing in the notes and should reach an investment decision only after careful consideration, with your advisers, with respect to the notes in light of your particular financial and other circumstances and the information set forth in this term sheet and the accompanying product supplement, prospectus supplement and prospectus.

In addition to the risks in the product supplement identified below, you should review “Risk Factors” in the accompanying prospectus supplement, including the explanation of risks relating to the notes described in the section “— Risks Relating to All Note Issuances.”

- If the notes are not called, your investment may result in a loss; you may not receive a return of some or substantially all of your principal.
- Your return, if any, is limited to the return represented by the applicable Call Premium.
- Your yield may be less than the yield on a conventional debt security of comparable maturity.
- Payments on the notes are subject to our credit risk.
- Your investment return may be less than a comparable investment directly in the Underlying Stock.
- You must rely on your own evaluation of the merits of an investment linked to the Underlying Stock.
- Commissions, fees and hedging costs as described on page TS-7 may affect the price at which you will be able to sell the notes in secondary market transactions.
- We cannot assure you that a trading market for your notes will ever develop or be maintained. MLPF&S is not obligated to make a market for, or to repurchase, the notes.
- The amount that you receive at maturity or upon a call will not reflect changes in the price of the Underlying Stock other than on the Observation Dates.
- If you attempt to sell the notes prior to maturity, their market value, if any, will be affected by various factors that interrelate in complex ways, and their market value may be less than the Original Offering Price.
- Purchases and sales by us, MLPF&S and our respective affiliates of the Underlying Stock may affect your return.
- Our trading and hedging activities, and those of MLPF&S, may create conflicts of interest with you.
- Our hedging activities, and those of MLPF&S, may affect your return on the notes and their market value.
- There may be potential conflicts of interest involving the calculation agent. We may appoint and remove the calculation agent.
- The notes are not insured by any governmental agency of the United States or any other jurisdiction.
- You will have no rights as a holder of the Underlying Stock, you will have no rights to receive shares of the Underlying Stock, and you will not be entitled to receive dividends or other distributions by the Underlying Company.
- The payments on the notes will not be adjusted for all corporate events that could affect the Underlying Stock. See “Description of the Notes—Anti-Dilution Adjustments” beginning on page S-23 of product supplement STOCK STR-1
- We and MLPF&S do not control the Underlying Company, and are not responsible for any disclosure made by the Underlying Company.
- Our business activities and those of MLPF&S relating to the Underlying Company may create conflicts of interest with you.
- The U.S. federal income tax consequences of the notes are uncertain, and may be adverse to a holder of the notes. See “Summary Tax Consequences” below and “U.S. Federal Income Tax Summary” beginning on page S-39 of product supplement STOCK STR-1.

The Underlying Stock

We have derived the following information from publicly available documents published by the Underlying Company. We have not independently verified the accuracy or completeness of the following information. Ford Motor Company designs, manufactures, and services cars and trucks. The company also provides vehicle-related financing, leasing, and insurance through its subsidiary.

Because the Underlying Stock is registered under the Securities Exchange Act of 1934, the Underlying Company is required to file periodically certain financial and other information specified by the SEC. Information provided to or filed with the SEC by the Underlying Company can be located at the Public Reference Section of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549 or through the SEC's web site at <http://www.sec.gov> by reference to SEC CIK number 37996.

This term sheet relates only to the notes and does not relate to the Underlying Stock or to any other securities of the Underlying Company. The Underlying Company will have no obligations with respect to the notes. None of us, MLPF&S, or any of our respective affiliates has participated or will participate in the preparation of the Underlying Company's publicly available documents. None of us, MLPF&S, or any of our respective affiliates has made any due diligence inquiry with respect to the Underlying Company in connection with the offering of the notes. None of us, MLPF&S, or any of our respective affiliates makes any representation that the publicly available documents or any other publicly available information regarding the Underlying Company are accurate or complete. Furthermore, there can be no assurance that all events occurring prior to the date of this term sheet, including events that would affect the accuracy or completeness of these publicly available documents that would affect the trading price of the Underlying Stock, have been or will be publicly disclosed. Subsequent disclosure of any events or the disclosure of or failure to disclose material future events concerning the Underlying Company could affect the value of the Underlying Stock and therefore could affect your return on the notes. The selection of the Underlying Stock is not a recommendation to buy or sell the Underlying Stock.

The Underlying Stock trades on the New York Stock Exchange under the symbol "F."

Historical Data

The following table shows the quarterly high and low Closing Market Prices of the shares of the Underlying Stock on its primary exchange from the first quarter of 2008 through February 14, 2013. We obtained this historical data from Bloomberg L.P. We have not independently verified the accuracy or completeness of the information obtained from Bloomberg L.P. These historical trading prices may have been adjusted to reflect certain corporate actions such as stock splits and reverse stock splits.

| | | High (\$) | Low (\$) |
|------|--|------------------|-----------------|
| 2008 | First Quarter..... | 6.85 | 5.11 |
| | Second Quarter | 8.48 | 4.81 |
| | Third Quarter | 6.03 | 4.17 |
| | Fourth Quarter | 4.55 | 1.26 |
| 2009 | First Quarter..... | 2.94 | 1.58 |
| | Second Quarter | 6.41 | 2.74 |
| | Third Quarter | 8.44 | 5.35 |
| | Fourth Quarter | 10.20 | 6.84 |
| 2010 | First Quarter..... | 14.10 | 10.28 |
| | Second Quarter | 14.46 | 9.88 |
| | Third Quarter | 13.16 | 10.16 |
| | Fourth Quarter | 17.00 | 12.26 |
| 2011 | First Quarter..... | 18.79 | 14.01 |
| | Second Quarter | 15.79 | 12.78 |
| | Third Quarter | 14.12 | 9.62 |
| | Fourth Quarter | 12.51 | 9.37 |
| 2012 | First Quarter..... | 12.96 | 11.13 |
| | Second Quarter | 12.64 | 9.59 |
| | Third Quarter | 10.59 | 8.92 |
| | Fourth Quarter | 12.95 | 9.79 |
| 2013 | First Quarter (through February 14, 2013)..... | 14.30 | 12.88 |

This historical data on the Underlying Stock is not necessarily indicative of the future performance of the Underlying Stock or what the value of the notes may be. Any historical upward or downward trend in the price per share of the Underlying Stock during any period set forth above is not an indication that the price per share of the Underlying Stock is more or less likely to increase or decrease at any time over the term of the notes.

Before investing in the notes, you should consult publicly available sources for the prices and trading pattern of the Underlying Stock.

Supplement to the Plan of Distribution

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

The notes will not be listed on any securities exchange. In the original offering of the notes, the notes will be sold in minimum investment amounts of 100 units.

MLPF&S will not receive an underwriting discount for notes sold to certain fee-based trusts and fee-based discretionary accounts managed by U.S. Trust operating through Bank of America, N.A.

If you place an order to purchase the notes, you are consenting to MLPF&S acting as a principal in effecting the transaction for your account.

MLPF&S may repurchase and resell the notes, with repurchases and resales being made at prices related to then-prevailing market prices or at negotiated prices. MLPF&S may act as principal or agent in these market-making transactions; however it is not obligated to engage in any such transactions.

The distribution of the Note Prospectus in connection with these offers or sales will be solely for the purpose of providing investors with the description of the terms of the notes that was made available to investors in connection with their initial offering. Secondary market investors should not, and will not be authorized to, rely on the Note Prospectus for information regarding HSBC or for any purpose other than that described in the immediately preceding sentence.

Role of MLPF&S

MLPF&S will participate as selling agent in the distribution of the notes. Under our distribution agreement with MLPF&S, MLPF&S will purchase the notes from us as principal at the public offering price indicated on the cover of this term sheet, less the indicated underwriting discount. In connection with hedging our obligations under the notes, we will enter into a hedge transaction with an affiliate of MLPF&S, which will include a charge of up to \$0.05 per unit, representing an estimated profit credited to MLPF&S through the hedge transaction. The public offering price you pay for the notes includes this charge and the underwriting discount. This charge and fee reduce the economic terms of the notes. In arranging the hedge transaction for the notes, MLPF&S seeks bids from market participants, which could include one of our affiliates. Additional profits and losses may be realized by the hedge providers from these hedging transactions. For further information regarding how these fees and hedging costs may affect the price at which you will be able to sell the notes in secondary market transaction and conflicts of interest, see "Risk Factors—General Risks Relating to the Notes" beginning on page S-9 and "Use of Proceeds" on page S-18 of product supplement STOCK STR-1.

Summary Tax Consequences

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

- There is no statutory, judicial, or administrative authority directly addressing the characterization of the notes.
- You agree with us (in the absence of an administrative determination, or judicial ruling to the contrary) to characterize and treat the notes for all tax purposes as pre-paid derivative contracts with respect to the Underlying Stock that requires you to pay us at inception an amount equal to the purchase price of the notes and that entitles you to receive at maturity or upon earlier redemption an amount in cash linked to the level of the Underlying Stock.
- Under this characterization and tax treatment of the notes, a U.S. Holder (as defined on page S-39 of product supplement STOCK STR-1) generally will recognize capital gain or loss upon receipt of a cash payment at maturity or upon a sale, exchange, redemption, retirement or other disposition of the notes. This capital gain or loss generally will be long-term capital gain or loss if you held the notes for more than one year, and otherwise will be short-term capital gain or loss. Accordingly, if the notes are called on the first or second Observation Date, your capital gain or loss generally will be short-term capital gain or loss. The deductibility of capital losses is subject to limitations.
- No assurance can be given that the IRS or any court will agree with this characterization and tax treatment.
- Withholding and reporting requirements under the legislation enacted on March 18, 2010 (as discussed beginning on page S-48 of the prospectus supplement), will generally apply to payments made after December 31, 2013. However, this withholding tax will not be imposed on payments pursuant to obligations outstanding on January 1, 2014. Additionally, withholding due to any payment being treated as a “dividend equivalent” (as discussed beginning on page S-47 of the prospectus supplement) will begin no earlier than January 1, 2014. Holders are urged to consult with their own tax advisors regarding the possible implications of this recently enacted legislation on their investment in the notes.

You should consult your own tax advisor concerning the U.S. federal income tax consequences to you of acquiring, owning, and disposing of the notes, as well as any tax consequences arising under the laws of any state, local, foreign, or other tax jurisdiction and the possible effects of changes in U.S. federal or other tax laws. You should review carefully the discussion under the section entitled “U.S. Federal Income Tax Summary” beginning on page S-39 of product supplement STOCK STR-1.

Where You Can Find More Information

We have filed a registration statement (including a product supplement, a prospectus supplement, and a prospectus) with the SEC for the offering to which this term sheet relates. Before you invest, you should read the Note Prospectus, including this term sheet, and the other documents that we have filed with the SEC, for more complete information about us and this offering. You may get these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, we, any agent, or any dealer participating in this offering will arrange to send you these documents if you so request by calling MLPF&S toll-free at 1-866-500-5408.

Market-Linked Investments Classification



MLPF&S classifies certain market-linked investments (the “Market-Linked Investments”) into categories, each with different investment characteristics. The following description is meant solely for informational purposes and is not intended to represent any particular Enhanced Return Market-Linked Investment or guarantee any performance.

Enhanced Return Market-Linked Investments are short- to medium-term investments that offer you a way to enhance exposure to a particular market view without taking on a similarly enhanced level of market downside risk. They can be especially effective in a flat to moderately positive market (or, in the case of bearish investments, a flat to moderately negative market). In exchange for the potential to receive better-than market returns on the linked asset, you must generally accept market downside risk and capped upside potential. As these investments are not market downside protected, and do not assure full repayment of principal at maturity, you need to be prepared for the possibility that you may lose all or part of your investment.

“Strategic Accelerated Redemption Securities®” is a registered service mark of Bank of America Corporation, the parent company of MLPF&S.