

Structured  
Investments

HSBC USA Inc.

\$1,750,000

Dual Directional Contingent Buffered Notes (CBN) Linked to the iShares®  
MSCI EAFE ETF due October 6, 2023 (the "Notes")

## General

- Terms used in this pricing supplement are described or defined herein and in the accompanying ETF Underlying Supplement, prospectus supplement and prospectus. The Notes will have the terms described herein and in the accompanying ETF Underlying Supplement, prospectus supplement and prospectus. **The Notes do not guarantee any return of principal, and you may lose up to 100% of your initial investment. The Notes will not bear interest.**
- This pricing supplement relates to a single note offering. The purchaser of a Note will acquire a security linked to the Reference Asset described below.
- Although the offering relates to a Reference Asset, you should not construe that fact as a recommendation as to the merits of acquiring an investment linked to the Reference Asset or any component security held by the Reference Asset or as to the suitability of an investment in the Notes.
- Senior unsecured debt obligations of HSBC USA Inc. maturing October 6, 2023.
- Minimum denominations of \$10,000 and integral multiples of \$1,000 in excess thereof.
- **If the terms of the Notes set forth below are inconsistent with those described in the accompanying ETF Underlying Supplement, prospectus supplement and prospectus, the terms set forth below will supersede.**
- **Any payments on the Notes are subject to the Issuer's credit risk.**

## Key Terms

|                            |   |
|----------------------------|---|
| Issuer:                    | HSBC USA Inc.   |
| Reference Asset:           | iShares® MSCI EAFE ETF (Ticker: "EFA")  |
| Underlying Index:          | MSCI EAFE® Index  |
| Principal Amount:          | \$1,000 per Note  |
| Trade Date:                | October 5, 2018   |
| Pricing Date:              | October 5, 2018   |
| Original Issue Date:       | October 11, 2018  |
| Averaging Dates:           | September 27, 2023, September 28, 2023, September 29, 2023, October 2, 2023 and October 3, 2023 (the "Final Valuation Date"), subject to adjustment as described in "Additional Terms of the Notes—Valuation Dates" in the accompanying ETF Underlying Supplement.  |
| Maturity Date:             | October 6, 2023. The Maturity Date is subject to adjustment as described under "Additional Terms of the Notes—Coupon Payment Dates, Call Payment Dates and Maturity Date" in the accompanying ETF Underlying Supplement.  |
| Knock-Out Event:           | A Knock-Out Event occurs if the Final Price (as defined below) is less than the Initial Price by a percentage that is greater than the Knock-Out Buffer Amount.   |
| Knock-Out Buffer Amount:   | 50.00%  |
| Maximum Return:            | 50.00%.   |
| Upside Participation Rate: | 100.00%   |
| Payment at Maturity:       | <b>If a Knock-Out Event has occurred</b> , you will receive a cash payment on the Maturity Date that will reflect the performance of the Reference Asset. Under these circumstances, your Payment at Maturity per \$1,000 Principal Amount will equal<br>$\$1,000 + (\$1,000 \times \text{Reference Return})$ <b>If a Knock-Out Event has not occurred and the Final Price is less than the Initial Price</b> , you will receive a cash payment that exceeds the Principal Amount and that will reflect the absolute value of the Reference Return. Your Payment at Maturity per \$1,000 Principal Amount will equal:<br>$\$1,000 + [\$1,000 \times (-1 \times \text{Reference Return})]$ <b>If the Final Price is greater than or equal to the Initial Price</b> , you will receive a cash payment that will reflect the performance of the Reference Asset and the Upside Participation Rate, subject to the Maximum Return. Your Payment at Maturity per \$1,000 Principal Amount will equal:<br>$\$1,000 + [\$1,000 \times \text{the lesser of (i) (Reference Return} \times \text{Upside Participation Rate) and (ii) the Maximum Return}]$ For additional clarification, please see "What Is the Total Return on the Notes at Maturity Assuming a Range of Performances for the Reference Asset?" herein.<br>The quotient, expressed as a percentage, calculated as follows: $\frac{\text{Final Price} - \text{Initial Price}}{\text{Initial Price}}$ |
| Reference Return:          | The quotient, expressed as a percentage, calculated as follows: $\frac{\text{Final Price} - \text{Initial Price}}{\text{Initial Price}}$  |
| Initial Price:             | \$66.41, which was the Official Closing Price of the Reference Asset on the Pricing Date.   |
| Final Price:               | The arithmetic average of its Official Closing Prices on each of the Averaging Dates, as determined by the Calculation Agent.   |
| Estimated Initial Value:   | The Estimated Initial Value of the Notes is less than the price you pay to purchase the Notes. The Estimated Initial Value does not represent a minimum price at which we or any of our affiliates would be willing to purchase your Notes in the secondary market, if any, at any time. See "Selected Risk Considerations—The Estimated Initial Value of the Notes, which was determined by us on the Pricing Date, is less than the price to public and may differ from the market value of the Notes in the secondary market, if any."   |
| Calculation Agent:         | HSBC USA Inc. or one of its affiliates  |
| CUSIP/ISIN:                | 40435F5N3 / US40435F5N32  |
| Form of the Notes:         | Book-Entry  |
| Listing:                   | The Notes will not be listed on any U.S. securities exchange or quotation system.   |

**Investment in the Notes involves certain risks. You should refer to "Selected Risk Considerations" beginning on page 4 of this document and "Risk Factors" beginning on page S-1 of the ETF Underlying Supplement and page S-1 of the prospectus supplement.**

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Notes or determined that this pricing supplement, or the accompanying ETF Underlying Supplement, prospectus supplement and prospectus, is truthful or complete. Any representation to the contrary is a criminal offense.

HSBC Securities (USA) Inc. or another of our affiliates or agents may use this pricing supplement in market-making transactions in any Notes after their initial sale. **Unless we or our agent informs you otherwise in the confirmation of sale, this pricing supplement to is being used in a market-making transaction.** HSBC Securities (USA) Inc., an affiliate of ours, will purchase the Notes from us for distribution to the placement agent. See "Supplemental Plan of Distribution (Conflicts of Interest)" on the last page of this pricing supplement.

JPMorgan Chase Bank, N.A. and J.P. Morgan Securities LLC will act as placement agents for the Notes.

The Estimated Initial Value of the Notes on the Pricing Date is \$954.10 per Note, which is less than the price to public. The market value of the Notes at any time will reflect many factors and cannot be predicted with accuracy. See "Estimated Initial Value" above and "Selected Risk Considerations" beginning on page 4 of this document for additional information.

|          | Price to Public | Fees and Commissions | Proceeds to Issuer |
|----------|-----------------|----------------------|--------------------|
| Per Note | \$1,000.00      | \$30.00              | \$970.00           |
| Total    | \$1,750,000.00  | \$52,500.00          | \$1,697,500.00     |

## The Notes:

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

JPMorgan  
Placement Agent  
October 5, 2018

## Additional Terms Specific to the Notes

This pricing supplement relates to a single note offering linked to the Reference Asset. The purchaser of a Note will acquire a senior unsecured debt security linked to the Reference Asset. Although the Note offering relates only to the Reference Asset, you should not construe that fact as a recommendation as to the merits of acquiring an investment linked to the Reference Asset or any securities held by the Reference Asset or as to the suitability of an investment in the Notes.

You should read this document together with the prospectus dated February 26, 2018, the prospectus supplement dated February 26, 2018 and the ETF Underlying Supplement dated February 26, 2018. If the terms of the Notes offered hereby are inconsistent with those described in the accompanying ETF Underlying Supplement, prospectus supplement or prospectus, the terms described in this pricing supplement shall control. You should carefully consider, among other things, the matters set forth in "Selected Risk Considerations" beginning on page 4 of this pricing supplement and "Risk Factors" beginning on page S-1 of the accompanying ETF Underlying Supplement and page S-1 of the prospectus 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. As used herein, references to the "Issuer", "HSBC", "we", "us" and "our" are to HSBC USA Inc.

HSBC has filed a registration statement (including a prospectus, a prospectus supplement and the ETF Underlying Supplement) with the SEC for the offering to which this pricing supplement relates. Before you invest, you should read the prospectus, prospectus supplement and ETF Underlying Supplement in that registration statement and other documents HSBC has filed with the SEC for more complete information about HSBC and this offering. You may get these documents for free by visiting EDGAR on the SEC's web site at [www.sec.gov](http://www.sec.gov). Alternatively, HSBC Securities (USA) Inc. or any dealer participating in this offering will arrange to send you the prospectus, prospectus supplement and ETF Underlying Supplement if you request them by calling toll-free 1 866-811-8049.

You may also obtain:

- The ETF Underlying Supplement at: [https://www.sec.gov/Archives/edgar/data/83246/000114420418010788/tv486720\\_424b2.htm](https://www.sec.gov/Archives/edgar/data/83246/000114420418010788/tv486720_424b2.htm)
- The prospectus supplement at: [https://www.sec.gov/Archives/edgar/data/83246/000114420418010762/tv486944\\_424b2.htm](https://www.sec.gov/Archives/edgar/data/83246/000114420418010762/tv486944_424b2.htm)
- The prospectus at: [https://www.sec.gov/Archives/edgar/data/83246/000114420418010720/tv487083\\_424b3.htm](https://www.sec.gov/Archives/edgar/data/83246/000114420418010720/tv487083_424b3.htm)

## Selected Purchase Considerations

- **APPRECIATION POTENTIAL — *If a Knock-Out Event has not occurred***, you will receive a positive return equal to (i) the absolute value of the Reference Return if the Reference Return is negative or (ii) the Reference Return multiplied by the Upside Participation Rate of 100.00% if the Reference Return is positive, up to the Maximum Return on the Notes of 50.00%, or a maximum Payment at Maturity of \$1,500.00 for every \$1,000 Principal Amount. Because the Notes are our senior unsecured debt obligations, payment of any amount at maturity is subject to our ability to pay our obligations as they become due.
- **THE ABSOLUTE RETURN FEATURE APPLIES ONLY IF A KNOCK-OUT EVENT HAS NOT OCCURRED — *If the Reference Asset declines over the term of the Notes and a Knock-Out Event has not occurred***, you will receive at maturity a positive return equal to the absolute value of the Reference Return. ***If a Knock-Out Event has occurred***, you will lose 1% of your Principal Amount for every 1% that the Final Price is less than the Initial Price. If the Reference Return is -100%, you will lose your entire investment.

## Investor Suitability

### The Notes may be suitable for you if:

- You seek an investment with a return linked to the performance of the Reference Asset and you believe that the Reference Return will not be less than the Initial Price by a percentage that is greater than the Knock-Out Buffer Amount on the Final Valuation Date.
- You are willing to invest in the Notes based on the Maximum Return indicated herein, which may limit your return at maturity.
- You are willing to make an investment that is exposed to the negative Reference Return on a 1-to-1 basis for each percentage point that the Reference Return is less than zero when a Knock-Out Event has occurred.
- You are willing to accept the risk and return profile of the Notes versus a conventional debt security with a comparable maturity issued by HSBC or another issuer with a similar credit rating.
- You are willing to forgo dividends or other distributions paid to holders of the Reference Asset or the stocks held by the Reference Asset.
- You do not seek current income from your investment.
- You do not seek an investment for which there is an active secondary market.
- You are willing to hold the Notes to maturity.
- You are comfortable with the creditworthiness of HSBC, as Issuer of the Notes.

### The Notes may not be suitable for you if:

- You do not believe that the Final Price will be less than the Initial Price by a percentage that is greater than the Knock-Out Buffer Amount on the Final Valuation Date.
- You are unwilling to invest in the Notes based on the Maximum Return indicated herein, which may limit your return at maturity.
- You are unwilling to make an investment that is exposed to the negative Reference Return on a 1-to-1 basis for each percentage point that the Reference Return is less than zero when a Knock-Out Event has occurred.
- You seek an investment that provides full return of principal.
- You prefer the lower risk, and therefore accept the potentially lower returns, of conventional debt securities with comparable maturities issued by HSBC or another issuer with a similar credit rating.
- You prefer to receive the dividends or other distributions paid on the Reference Asset or the stocks held by the Reference Asset.
- You seek current income from your investment.
- You seek an investment for which there will be an active secondary market.
- You are unable or unwilling to hold the Notes to maturity.
- You are not willing or are unable to assume the credit risk associated with HSBC, as Issuer of the Notes.

## Selected Risk Considerations

An investment in the Notes involves significant risks. Investing in the Notes is not equivalent to investing directly in the Reference Asset. These risks are explained in more detail in the “Risk Factors” sections of the accompanying ETF Underlying Supplement and prospectus supplement.

- **YOUR INVESTMENT IN THE NOTES MAY RESULT IN A LOSS** — The Notes do not guarantee any return of principal. The return on the Notes at maturity is linked to the performance of the Reference Asset, subject to the Maximum Return, and will depend on whether, and the extent to which, the Reference Return is positive or negative. If the Final Price is less than the Initial Price by a percentage that exceeds the Knock-Out Buffer Amount, a Knock-Out Event will have occurred, and the benefit provided by the Knock-Out Buffer Amount will terminate. Under these circumstances, you will lose 1% of the Principal Amount of the Notes for every 1% decline of the Final Price as compared to the Initial Price. **IF A KNOCK-OUT EVENT OCCURS, YOU MAY LOSE UP TO 100% OF YOUR INVESTMENT.**
- **THE AMOUNT PAYABLE ON THE NOTES IS NOT LINKED TO THE PRICE OF THE REFERENCE ASSET AT ANY TIME OTHER THAN ON THE AVERAGING DATES** — The Final Price of the Reference Asset will be the arithmetic average of its Official Closing Prices on each of the Averaging Dates, subject to postponement for non-trading days and certain market disruption events. Even if the price of the Reference Asset appreciates during the term of the Notes other than on the Averaging Dates but then decreases on any of the Averaging Dates to a price such that a Knock-Out Event occurs, the Payment at Maturity may be less, and may be significantly less, than it would have been had the Payment at Maturity been linked to the prices of the Reference Asset prior to such decrease. Although the actual price of the Reference Asset on the Maturity Date or at other times during the term of the Notes may be higher than the Final Price, whether a Knock-Out Event has occurred and the Payment at Maturity will be based solely on the Official Closing Prices of the Reference Asset on the Averaging Dates.
- **YOUR MAXIMUM GAIN ON THE NOTES IS LIMITED TO THE MAXIMUM RETURN** — If the Final Price is greater than the Initial Price, for each \$1,000 Principal Amount you hold, you will receive at maturity \$1,000 plus an additional amount that will not exceed the Maximum Return of 50.00% of the Principal Amount, regardless of the appreciation in the Reference Asset, which may be significantly greater than the Maximum Return. **YOU WILL NOT RECEIVE A RETURN ON THE NOTES GREATER THAN THE MAXIMUM RETURN.**
- **THE NOTES ARE SUBJECT TO THE CREDIT RISK OF HSBC USA INC.** — The Notes are senior unsecured debt obligations of the Issuer, HSBC, and are not, either directly or indirectly, an obligation of any third party. As further described in the accompanying prospectus supplement and prospectus, the Notes will rank on par with all of the other unsecured and unsubordinated debt obligations of HSBC, except such obligations as may be preferred by operation of law. Any payment to be made on the Notes, including any return of principal at maturity, depends on the ability of HSBC to satisfy its obligations as they come due. As a result, the actual and perceived creditworthiness of HSBC may affect the market value of the Notes and, in the event HSBC were to default on its obligations, you may not receive the amounts owed to you under the terms of the Notes.
- **SUITABILITY OF THE NOTES FOR INVESTMENT** — You should only reach a decision to invest in the Notes after carefully considering, with your advisors, the suitability of the Notes in light of your investment objectives and the information set out in this pricing supplement. Neither HSBC nor any dealer participating in the offering makes any recommendation as to the suitability of the Notes for investment.
- **THE ESTIMATED INITIAL VALUE OF THE NOTES, WHICH WAS DETERMINED BY US ON THE PRICING DATE, IS LESS THAN THE PRICE TO PUBLIC AND MAY DIFFER FROM THE MARKET VALUE OF THE NOTES IN THE SECONDARY MARKET, IF ANY** — The Estimated Initial Value of the Notes was calculated by us on the Pricing Date and is less than the price to public. The Estimated Initial Value reflects our internal funding rate, which is the borrowing rate we pay to issue market-linked securities, as well as the mid-market value of the embedded derivatives in the Notes. This internal funding rate is typically lower than the rate we would use when we issue conventional fixed or floating rate debt securities. As a result of the difference between our internal funding rate and the rate we would use when we issue conventional fixed or floating rate debt securities, the Estimated Initial Value of the Notes may be lower if it were based on the prices at which our fixed or floating rate debt securities trade in the secondary market. In addition, if we were to use the rate we use for our conventional fixed or floating rate debt issuances, we would expect the economic terms of the Notes to be more favorable to you. We determined the value of the embedded derivatives in the Notes by reference to our or our affiliates’ internal pricing models. These pricing models consider certain assumptions and variables, which can include volatility and interest rates. Different pricing models and assumptions could provide valuations for the Notes that are different from our Estimated Initial Value. These pricing models rely in part on certain forecasts about future events, which may prove to be incorrect. The Estimated Initial Value does not represent a minimum price at which we or any of our affiliates would be willing to purchase your Notes in the secondary market (if any exists) at any time.
- **THE PRICE OF YOUR NOTES IN THE SECONDARY MARKET, IF ANY, IMMEDIATELY AFTER THE PRICING DATE WILL BE LESS THAN THE PRICE TO PUBLIC** — The price to public takes into account certain costs. These costs will include our affiliates’ projected hedging profits (which may or may not be realized) for assuming risks inherent in hedging our obligations under the Notes, the underwriting discount and the costs associated with structuring and hedging our obligations under the Notes. These costs, except for the underwriting discount, will be

used or retained by us or one of our affiliates. If you were to sell your Notes in the secondary market, if any, the price you would receive for your Notes may be less than the price you paid for them because secondary market prices will not take into account these costs. The price of your Notes in the secondary market, if any, at any time after issuance will vary based on many factors, including the price of the Reference Asset and changes in market conditions, and cannot be predicted with accuracy. The Notes are not designed to be short-term trading instruments, and you should, therefore, be able and willing to hold the Notes to maturity. Any sale of the Notes prior to maturity could result in a loss to you.

- **IF HSBC SECURITIES (USA) INC. WERE TO REPURCHASE YOUR NOTES IMMEDIATELY AFTER THE ORIGINAL ISSUE DATE, THE PRICE YOU RECEIVE MAY BE HIGHER THAN THE ESTIMATED INITIAL VALUE OF THE NOTES** — Assuming that all relevant factors remain constant after the Original Issue Date, the price at which HSBC Securities (USA) Inc. may initially buy or sell the Notes in the secondary market, if any, and the value that we may initially use for customer account statements, if we provide any customer account statements at all, may exceed the Estimated Initial Value on the Pricing Date for a temporary period expected to be approximately 6 months after the Original Issue Date. This temporary price difference may exist because, in our discretion, we may elect to effectively reimburse to investors a portion of the estimated cost of hedging our obligations under the Notes and other costs in connection with the Notes that we will no longer expect to incur over the term of the Notes. We will make such discretionary election and determine this temporary reimbursement period on the basis of a number of factors, including the tenor of the Notes and any agreement we may have with the distributors of the Notes. The amount of our estimated costs which we effectively reimburse to investors in this way may not be allocated ratably throughout the reimbursement period, and we may discontinue such reimbursement at any time or revise the duration of the reimbursement period after the Original Issue Date of the Notes based on changes in market conditions and other factors that cannot be predicted.
- **THERE IS LIMITED ANTI-DILUTION PROTECTION** — The Calculation Agent will adjust the Official Closing Price, for certain events affecting the shares of the Reference Asset, such as stock splits and corporate actions which may affect the price of the Reference Asset. The Calculation Agent is not required to make an adjustment for every corporate action which affects the shares of the Reference Asset. If an event occurs that does not require the Calculation Agent to adjust the price of the shares of the Reference Asset, the market price of the Notes and the Payment at Maturity may be materially and adversely affected. See the section “Additional Terms of the Notes—Antidilution and Reorganization Adjustments” in the accompanying ETF Underlying Supplement for additional information.
- **CHANGES THAT AFFECT THE REFERENCE ASSET MAY AFFECT THE PRICE OF THE REFERENCE ASSET AND THE AMOUNT YOU WILL RECEIVE AT MATURITY** — The policies of the reference issuer of the Reference Asset concerning additions, deletions and substitutions of the constituents comprising the Reference Asset and the manner in which the reference issuer takes account of certain changes affecting those constituents held by the Reference Asset may affect the price of the Reference Asset. The policies of the reference issuer with respect to the calculation of the Reference Asset could also affect the price of the Reference Asset. The reference issuer may discontinue or suspend calculation or dissemination of the Reference Asset. Any such actions could affect the price of the Reference Asset and the value of the securities.
- **THE PERFORMANCE AND MARKET VALUE OF THE REFERENCE ASSET DURING PERIODS OF MARKET VOLATILITY MAY NOT CORRELATE WITH THE PERFORMANCE OF ITS UNDERLYING INDEX AS WELL AS THE NET ASSET VALUE PER SHARE OF THE REFERENCE ASSET** — During periods of market volatility, securities underlying the Reference Asset may be unavailable in the secondary market, market participants may be unable to calculate accurately the net asset value per share of the Reference Asset and the liquidity of the Reference Asset may be adversely affected. This kind of market volatility may also disrupt the ability of market participants to create and redeem shares of the Reference Asset. Further, market volatility may adversely affect, sometimes materially, the prices at which market participants are willing to buy and sell shares of the Reference Asset. As a result, under these circumstances, the market value of shares of the Reference Asset may vary substantially from the net asset value per share of the Reference Asset. For all of the foregoing reasons, the performance of the Reference Asset may not correlate with the performance of its underlying index as well as the net asset value per share of the Reference Asset, which could materially and adversely affect the value of the Notes in the secondary market and/or reduce your payment at maturity.
- **THE VALUE OF SHARES OF THE REFERENCE ASSET MAY NOT COMPLETELY TRACK THE VALUE OF THE UNDERLYING INDEX** — Although the trading characteristics and valuations of shares of the Reference Asset will usually mirror the characteristics and valuations of the underlying index, the value of the shares of the Reference Asset may not completely track the level of the underlying index. The Reference Asset may reflect transaction costs and fees that are not included in the calculation of the underlying index. Additionally, because the Reference Asset may not actually hold all of the stocks comprising the underlying index but invests in a representative sample of securities which have a similar investment profile as the stocks comprising the underlying index, the Reference Asset may not fully replicate the performance of the underlying index.
- **MANAGEMENT RISK** — The Reference Asset is not managed according to traditional methods of “active” investment management, which involve the buying and selling of securities based on economic, financial and market



analysis and investment judgment. Instead, the Reference Asset, utilizing a “passive” or indexing investment approach, attempts to approximate the investment performance of the underlying index by investing in a portfolio of securities that generally replicate the underlying index. Therefore, unless a specific security is removed from the underlying index, the Reference Asset generally would not sell a security because the security’s issuer was in financial trouble. In addition, the Reference Asset is subject to the risk that the investment strategy of the investment adviser may not produce the intended results. Your investment is linked to the Reference Asset, which is an index fund. Any information relating to the underlying index is only relevant to understanding the index that the Reference Asset seeks to replicate.

- **NO INTEREST OR DIVIDEND PAYMENTS OR VOTING RIGHTS** — As a holder of the Notes, you will not receive interest payments, and you will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of shares of the Reference Asset or shares of the securities held by the Reference Asset would have. In addition, the Reference Asset Issuer and the issuers of the securities held by the Reference Asset will not have any obligation to consider your interests as a holder of the Notes in taking any corporate action that might affect the price of the Reference Asset and the value of the Notes. Because the return on the Notes will not reflect any dividends paid on the Reference Asset, any positive return on the Notes may be less than the return on a direct investment in the Reference Asset.
- **POTENTIALLY INCONSISTENT RESEARCH, OPINIONS OR RECOMMENDATIONS BY HSBC AND JPMORGAN** — HSBC, JPMorgan, or their respective affiliates may publish research, express opinions or provide recommendations that are inconsistent with investing in or holding the Notes and which may be revised at any time. Any such research, opinions or recommendations could affect the price of the Reference Asset and the market value of the Notes.
- **THE NOTES LACK LIQUIDITY** — The Notes will not be listed on any securities exchange. HSBC Securities (USA) Inc. may offer to purchase the Notes in the secondary market. However, it is not required to do so and may cease making such offers at any time, if at all. Because other dealers are not likely to make a secondary market for the Notes, the price at which you may be able to trade your Notes is likely to depend on the price, if any, at which HSBC Securities (USA) Inc. is willing to buy the Notes. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Notes easily.
- **POTENTIAL CONFLICTS** — HSBC and its affiliates play a variety of roles in connection with the issuance of the Notes, including acting as Calculation Agent and hedging its obligations under the Notes. In performing these duties, the economic interests of the Calculation Agent and other affiliates of HSBC are potentially adverse to your interests as an investor in the Notes. HSBC and the Calculation Agent are under no obligation to consider your interests as a holder of the Notes in taking any corporate actions or other actions that might affect the price of the Reference Asset and, therefore, the value of the Notes.
- **THE NOTES ARE NOT INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OF THE UNITED STATES OR ANY OTHER JURISDICTION** — The Notes are not deposit liabilities or other obligations of a bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or program of the United States or any other jurisdiction. An investment in the Notes is subject to the credit risk of HSBC, and in the event that HSBC is unable to pay its obligations as they become due, you may not receive the full Payment at Maturity of the Notes.
- **THE HISTORICAL PERFORMANCE OF THE REFERENCE ASSET SHOULD NOT BE TAKEN AS AN INDICATION OF ITS FUTURE PERFORMANCE DURING THE TERM OF THE NOTES** — It is impossible to predict whether the price of the Reference Asset will rise or fall. The Reference Asset will be influenced by complex and interrelated political, economic, financial and other factors.
- **RISKS ASSOCIATED WITH NON-U.S. COMPANIES** — The value of the Reference Asset depends, in part, upon the stocks of non-U.S. companies, and thus involves risks associated with the home countries of those non-U.S. companies. The prices of these non-U.S. stocks may be affected by political, economic, financial and social factors in the home country of each applicable company, including changes in that country’s government, economic and fiscal policies, currency exchange laws or other laws or restrictions, which could affect the value of the securities. These foreign securities may have less liquidity and could be more volatile than many of the securities traded in U.S. or other securities markets. Direct or indirect government intervention to stabilize the relevant foreign securities markets, as well as cross shareholdings in foreign companies, may affect trading levels or prices and volumes in those markets. The other special risks associated with foreign securities may include, but are not limited to: less liquidity and smaller market capitalizations; less rigorous regulation of securities markets; different accounting and disclosure standards; governmental interference; currency fluctuations; higher inflation; and social, economic and political uncertainties. These factors may adversely affect the performance of the Reference Asset and, as a result, the value of the securities.
- **THE SECURITIES WILL NOT BE ADJUSTED FOR CHANGES IN EXCHANGE RATES** — Although the equity securities that are held by the Reference Asset are traded in currencies other than U.S. dollars, and your securities are denominated in U.S. dollars, the amount payable on your securities at maturity, if any, will not be adjusted for

changes in the exchange rates between the U.S. dollar and the currencies in which these non-U.S. equity securities are denominated. Changes in exchange rates, however, may also reflect changes in the applicable non-U.S. economies that in turn may affect the value of the Reference Asset, and therefore your securities. The amount we pay in respect of your securities on the maturity date, if any, will be determined solely in accordance with the procedures described in this pricing supplement.

- **MARKET DISRUPTIONS MAY ADVERSELY AFFECT YOUR RETURN** — The Calculation Agent may, in its sole discretion, determine that the markets have been affected in a manner that prevents it from determining the Reference Asset in the manner described herein, and calculating the amount that we are required to pay you upon maturity, or from properly hedging its obligations under the Notes. These events may include disruptions or suspensions of trading in the markets as a whole. If the Calculation Agent, in its sole discretion, determines that any of these events prevents the Calculation Agent from determining the Reference Return or Payment at Maturity in the ordinary manner, the Calculation Agent will determine the Reference Return or Payment at Maturity in good faith and in a commercially reasonable manner, and it is possible that the Averaging Dates, Final Valuation Date and the Maturity Date will be postponed, which may adversely affect the return on your Notes.
- **MANY ECONOMIC AND MARKET FACTORS WILL IMPACT THE VALUE OF THE NOTES** — In addition to the price of the Reference Asset on any day, the value of the Notes will be affected by a number of economic and market factors that may either offset or magnify each other, including:
  - the actual and expected volatility of the Reference Asset;
  - the time to maturity of the Notes;
  - the dividend rate on the equity securities held by the Reference Asset or comprising the underlying index;
  - interest and yield rates in the market generally;
  - a variety of economic, financial, political, regulatory or judicial events that affect the equity securities held by the Reference Asset or the stock markets generally; and
  - our creditworthiness, including actual or anticipated downgrades in our credit ratings.
- **UNCERTAIN TAX TREATMENT** — For a discussion of the U.S. federal income tax consequences of your investment in a Note, please see the discussion under “Tax Considerations” herein and the discussion under “U.S. Federal Income Tax Considerations” in the accompanying prospectus supplement.

In Notice 2008-2, the Internal Revenue Service (“IRS”) and the Treasury Department requested comments as to whether the purchaser of an exchange traded note or pre-paid forward contract (which may include the Notes) should be required to accrue income during its term under a mark-to-market, accrual or other methodology, whether income and gain on such a note or contract should be ordinary or capital, and whether foreign holders should be subject to withholding tax on any deemed income accrual. Accordingly, it is possible that regulations or other guidance could provide that a U.S. holder (as defined in the accompanying prospectus supplement) of a Note is required to accrue income in respect of the Notes prior to the receipt of payments with respect to the Notes or their earlier sale. Moreover, it is possible that a non-U.S. holder of the Notes could be subject to U.S. withholding tax in respect of the Notes. It is unclear whether any regulations or other guidance would apply to the Notes (possibly on a retroactive basis). Prospective investors are urged to consult with their tax advisors regarding Notice 2008-2 and the possible effect to them of the issuance of regulations or other guidance that affects the U.S. federal income tax treatment of the Notes.

### What Is the Total Return on the Notes at Maturity Assuming a Range of Performances for the Reference Asset?

The following table illustrates the hypothetical total return at maturity on the Notes. The “total return” as used in this pricing supplement is the number, expressed as a percentage, that results from comparing the Payment at Maturity per \$1,000 Principal Amount to \$1,000. The hypothetical total returns set forth below reflect the Knock-Out Buffer Amount of 50.00%, the Upside Participation Rate of 100.00%, the Maximum Return of 50.00% and assume an Initial Price of \$100.00. The actual Initial Price is set forth on the cover page of this pricing supplement. The hypothetical total returns set forth below are for illustrative purposes only, and may not be the actual total returns applicable to a purchaser of the Notes.

| Hypothetical Final Price (\$) | Hypothetical Reference Return | Hypothetical Total Return* |
|-------------------------------|-------------------------------|----------------------------|
| 200.00                        | 100.00%                       | 50.00%                     |
| 180.00                        | 80.00%                        | 50.00%                     |
| 170.00                        | 70.00%                        | 50.00%                     |
| <b>150.00</b>                 | <b>50.00%</b>                 | <b>50.00%</b>              |
| 140.00                        | 40.00%                        | 40.00%                     |
| 130.00                        | 30.00%                        | 30.00%                     |
| 120.00                        | 20.00%                        | 20.00%                     |
| 110.00                        | 10.00%                        | 10.00%                     |
| 105.00                        | 5.00%                         | 5.00%                      |
| 104.00                        | 4.00%                         | 4.00%                      |
| 103.00                        | 3.00%                         | 3.00%                      |
| 101.00                        | 1.00%                         | 1.00%                      |
| <b>100.00</b>                 | <b>0.00%</b>                  | <b>0.00%</b>               |
| 95.00                         | -5.00%                        | 5.00%                      |
| 90.00                         | -10.00%                       | 10.00%                     |
| 85.00                         | -15.00%                       | 15.00%                     |
| 80.00                         | -20.00%                       | 20.00%                     |
| 70.00                         | -30.00%                       | 30.00%                     |
| 60.00                         | -40.00%                       | 40.00%                     |
| <b>50.00</b>                  | <b>-50.00%</b>                | <b>50.00%</b>              |
| 40.00                         | -60.00%                       | -60.00%                    |
| 20.00                         | -80.00%                       | -80.00%                    |
| 0.00                          | -100.00%                      | -100.00%                   |

\* The table above assumes an Initial Price of \$100.00; the actual Initial Price is set forth on the cover page of this pricing supplement.

\* If a Knock-Out Event occurs, you will lose 1% of your principal for each 1% that the Final Price is less than the Initial Price.

### Hypothetical Examples of Amounts Payable at Maturity

The following examples illustrate how the total returns set forth in the table above are calculated.

**Example 1: The Price of the Reference Asset increases from the hypothetical Initial Price of \$100.00 to a hypothetical Final Price of \$170.00.** Because the Reference Return of 70.00% multiplied by the Upside Participation Rate is greater than the Maximum Return of 50.00% the investor receives a Payment at Maturity of \$1,500.00 per \$1,000 Principal Amount, calculated as follows:

$$\$1,000 + (\$1,000 \times 50.00\%) = \$1,500.00$$

**Example 2: The Price of the Reference Asset increases from the hypothetical Initial Price of \$100.00 to a hypothetical Final Price of \$110.00.** Because the Reference Return of 10.00% multiplied by the Upside Participation Rate is less than the Maximum Return of 50.00%, the investor receives a Payment at Maturity of \$1,100.00 per \$1,000 Principal Amount, calculated as follows:

$$\$1,000 + (\$1,000 \times 10.00\% \times 100\%) = \$1,100.00$$

**Example 3: A Knock-Out Event does not occur, and the Price of the Reference Asset decreases from the hypothetical Initial Price of \$100.00 to a hypothetical Final Price of \$90.00.** Because a Knock-Out Event has not occurred, the investor benefits from the absolute return feature and receives a Payment at Maturity of \$1,100.00 per \$1,000 Principal Amount, calculated as follows:

$$\$1,000 + [\$1,000 \times (-1 \times -10.00\%)] = \$1,100.00$$

**Example 4: A Knock-Out Event has occurred, and the Price of the Reference Asset decreases from the hypothetical Initial Price of \$100.00 to a hypothetical Final Price of \$40.00.** Because a Knock-Out Event has occurred, the investor is exposed to the negative performance of the Reference Asset. The investor will receive a Payment at Maturity of \$400.00 per \$1,000.00 Principal Amount, calculated as follows:

$$\$1,000 + (\$1,000 \times -60.00\%) = \$400.00$$



## Information Relating to the Reference Asset

### General

*This pricing supplement is not an offer to sell and it is not an offer to buy any of the securities comprising the Reference Asset. All disclosures contained in this pricing supplement regarding the Reference Asset, including its make-up, performance, method of calculation and changes in its components, where applicable, are derived from publicly available information. Neither HSBC nor any of its affiliates has made any independent investigation as to the information about the Reference Asset that is contained in this pricing supplement. You should make your own investigation into the Reference Asset.*

### iShares® MSCI EAFE ETF

The iShares® MSCI EAFE ETF (the “EFA”) is an investment portfolio maintained and managed by iShares and advised by BlackRock Fund Advisors (“BFA”). iShares is a registered investment company that consists of numerous separate investment portfolios, including EFA. The shares of EFA are listed and trade at market prices on a national securities exchange such as the Chicago Board Options Exchange, Nasdaq, NYSE or NYSE Arca under the exchange trading symbol “EFA.”

The EFA seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of publicly traded securities in the European, Australasian, and Far Eastern markets, as measured by the MSCI EAFE® Index, which is the underlying index of the EFA.

As of September 28, 2018 the MSCI EAFE® Index consisted of the following 21 component country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, The Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

Information provided to or filed with the SEC by iShares pursuant to the Securities Act and the Investment Company Act can be located by reference to SEC file numbers 033-97598 and 811-09102, respectively, through the SEC’s website at [www.sec.gov](http://www.sec.gov).

**For more information about the Reference Asset, see “The iShares® MSCI EAFE ETF” beginning on page S-24 of the accompanying ETF Underlying Supplement.**

### Historical Performance of the EFA

The following table sets forth the quarterly high and low closing prices, as well as end-of-quarter closing prices of the Reference Asset for each quarter in the period from January 2, 2008 through October 5, 2018. We obtained the closing levels below from the Bloomberg Professional® service. We have not independently verified the accuracy or completeness of the information obtained from the Bloomberg Professional® service. All historical prices are denominated in US dollars and rounded to the nearest penny. Historical prices of the Reference Asset should not be taken as an indication of its future performance.

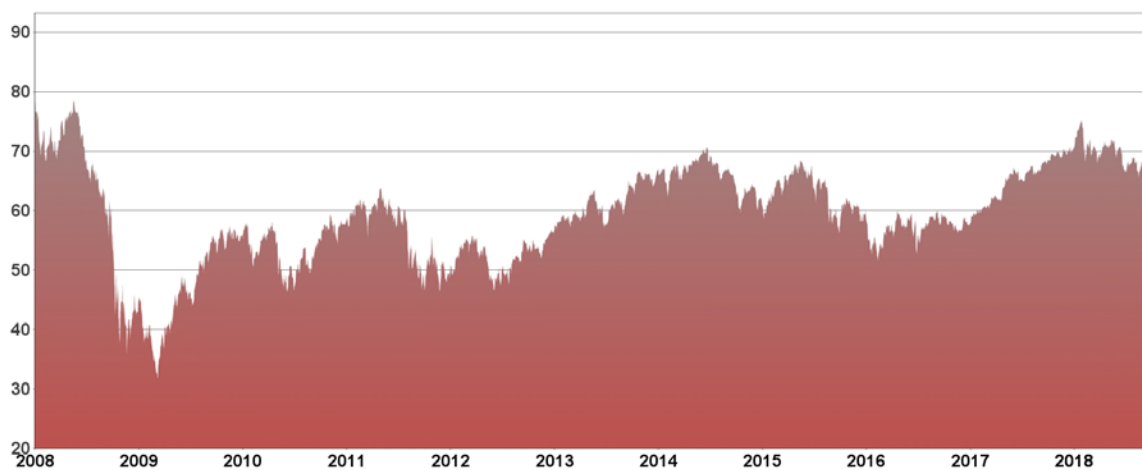
| Quarter Ending     | Quarter High (\$) | Quarter Low (\$) | Quarter Close (\$) |
|--------------------|-------------------|------------------|--------------------|
| March 31, 2008     | 78.50             | 68.31            | 71.90              |
| June 30, 2008      | 78.52             | 68.10            | 68.70              |
| September 30, 2008 | 68.70             | 53.08            | 56.30              |
| December 31, 2008  | 56.30             | 35.71            | 44.87              |
| March 31, 2009     | 45.44             | 31.69            | 37.59              |
| June 30, 2009      | 49.04             | 37.59            | 45.81              |
| September 30, 2009 | 55.81             | 43.91            | 54.70              |
| December 31, 2009  | 57.28             | 52.66            | 55.30              |
| March 31, 2010     | 57.96             | 50.45            | 56.00              |
| June 30, 2010      | 58.03             | 46.29            | 46.51              |
| September 30, 2010 | 55.42             | 46.51            | 54.92              |
| December 31, 2010  | 59.46             | 54.25            | 58.23              |
| March 31, 2011     | 61.91             | 55.31            | 60.09              |
| June 30, 2011      | 63.87             | 57.10            | 60.14              |
| September 30, 2011 | 60.80             | 46.66            | 47.75              |
| December 30, 2011  | 55.57             | 46.45            | 49.53              |
| March 30, 2012     | 55.80             | 49.15            | 54.90              |
| June 29, 2012      | 55.51             | 46.55            | 49.96              |
| September 28, 2012 | 55.15             | 47.62            | 53.00              |
| December 31, 2012  | 56.88             | 51.96            | 56.82              |
| March 28, 2013     | 59.89             | 56.82            | 58.98              |
| June 28, 2013      | 63.53             | 57.03            | 57.38              |
| September 30, 2013 | 65.05             | 57.38            | 63.79              |

| Quarter Ending     | Quarter High (\$) | Quarter Low (\$) | Quarter Close (\$) |
|--------------------|-------------------|------------------|--------------------|
| December 31, 2013  | 67.06             | 62.71            | 67.06              |
| March 31, 2014     | 68.03             | 62.31            | 67.17              |
| June 30, 2014      | 70.67             | 66.26            | 68.37              |
| September 30, 2014 | 69.25             | 64.12            | 64.12              |
| December 31, 2014  | 64.51             | 59.53            | 60.84              |
| March 31, 2015     | 65.99             | 58.48            | 64.17              |
| June 30, 2015      | 68.42             | 63.49            | 63.49              |
| September 30, 2015 | 65.46             | 56.25            | 57.32              |
| December 31, 2015  | 62.06             | 57.32            | 58.75              |
| March 31, 2016     | 58.75             | 51.38            | 57.13              |
| June 30, 2016      | 59.87             | 52.64            | 55.81              |
| September 30, 2016 | 59.86             | 54.44            | 59.13              |
| December 31, 2016  | 59.20             | 56.20            | 57.73              |
| March 31, 2017     | 62.60             | 57.73            | 62.29              |
| June 30, 2017      | 67.22             | 61.44            | 65.20              |
| September 30, 2017 | 68.48             | 64.83            | 68.48              |
| December 31, 2017  | 70.80             | 68.42            | 70.31              |
| March 31, 2018     | 75.25             | 67.94            | 69.68              |
| June 30, 2018      | 71.90             | 66.35            | 66.97              |
| September 28, 2018 | 68.98             | 65.43            | 67.99              |
| October 5, 2018*   | 68.07             | 66.41            | 66.41              |

\* This pricing supplement includes information for the fourth calendar quarter of 2018 for the period from October 1, 2018 through October 5, 2018. Accordingly, the “Quarter High,” “Quarter Low” and “Quarter Close” data indicated are for this shortened period only and do not reflect complete data for the fourth calendar quarter of 2018.

The graph below illustrates the daily performance of the Reference Asset from January 2, 2008 through October 5, 2018 based on information from the Bloomberg Professional® service. ***Past performance of the Reference Asset is not indicative of its future performance.***

**Historical Performance of the Reference Asset**



Source: Bloomberg Professional® service

## Events of Default and Acceleration

If the Notes have become immediately due and payable following an Event of Default (as defined in the accompanying prospectus) with respect to the Notes, the Calculation Agent will determine the accelerated Payment at Maturity due and payable in the same general manner as described in “Key Terms” in this pricing supplement. In that case, the five trading days preceding the date of acceleration will be used as the Averaging Dates for purposes of determining the accelerated Reference Returns (including the Final Prices). The accelerated Maturity Date will be the third business day following the postponed accelerated Final Valuation Date.

If the Notes have become immediately due and payable following an event of default, you will not be entitled to any additional payments with respect to the Notes. For more information, see “Description of Debt Securities—Senior Debt Securities—Events of Default” in the accompanying prospectus.

## Supplemental Plan of Distribution (Conflicts of Interest)

Pursuant to the terms of a distribution agreement, HSBC Securities (USA) Inc., an affiliate of HSBC, will purchase the Notes from HSBC for distribution to JPMorgan Chase Bank, N.A. and J.P. Morgan Securities LLC, acting as placement agents, at the price indicated on the cover of this pricing supplement. The placement agents for the Notes will receive a fee that will not exceed \$30.00 per \$1,000 Principal Amount. In addition, HSBC Securities (USA) Inc. or another of its affiliates or agents may use this pricing supplement in market-making transactions after the initial sale of the Notes. However, it is under no obligation to make a market in the Notes and may discontinue any market-making activities at any time without notice.

Delivery of the Notes will be made against payment for the Notes on the Original Issue Date set forth above, which is more than two business days following the Trade Date. Under Rule 15c6-1 under the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes more than two business days prior to the Original Issue Date will be required to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement, and should consult their own advisors.

See “Supplemental Plan of Distribution (Conflicts of Interest)” on page S-61 in the prospectus supplement.

## Tax Considerations

There is no direct legal authority as to the proper tax treatment of the Notes, and therefore significant aspects of the tax treatment of the Notes are uncertain as to both the timing and character of any inclusion in income in respect of the Notes. Under one approach, the Notes should be treated as pre-paid executory contracts with respect to the Reference Asset. We intend to treat the Notes consistent with this approach. Pursuant to the terms of the Notes, you agree to treat the Notes under this approach for all U.S. federal income tax purposes. Subject to the limitations described therein, and based on certain factual representations received from us, in the opinion of our special U.S. tax counsel, Mayer Brown LLP, it is reasonable to treat the Notes as pre-paid executory contracts with respect to the Reference Asset. Pursuant to this approach we do not intend to report any income or gain with respect to the Notes prior to their maturity or an earlier sale or exchange and we generally intend to treat any gain or loss upon maturity or an earlier sale or exchange as long-term capital gain or loss, provided that you have held the Note for more than one year at such time for U.S. federal income tax purposes.

We will not attempt to ascertain whether the Reference Asset or any of the entities whose stock is owned by the Reference Asset would be treated as a passive foreign investment company (“PFIC”) or United States real property holding corporation (“USRPHC”), both as defined for U.S. federal income tax purposes. If the Reference Asset or one or more of the entities whose stock is owned by the Reference Asset were treated as a PFIC or USRPHC, certain adverse U.S. federal income tax consequences might apply. You should refer to information filed with the SEC and other authorities by the Reference Asset and the entities whose stock is owned by the Reference Asset and consult your tax advisor regarding the possible consequences to you, if any, if the Reference Asset or one or more of the entities whose stock is owned by the Reference Asset is or becomes a PFIC or a USRPHC.

Despite the foregoing, U.S. holders should be aware that the Internal Revenue Code of 1986, as amended (the “Code”), contains a provision, Section 1260 of the Code, which sets forth rules which are applicable to what it refers to as “constructive ownership transactions.” Due to the manner in which it is drafted, the precise applicability of Section 1260 of the Code to any particular transaction is often uncertain. In general, a “constructive ownership transaction” includes a contract under which an investor will receive payment equal to or credit for the future value of any equity interest in a regulated investment company (such as shares of the Reference Asset (the “Underlying Shares”). Under the “constructive ownership” rules, if an investment in the Notes is treated as a “constructive ownership transaction,” any long-term capital gain recognized by a U.S. holder in respect of a Note will be recharacterized as ordinary income to the extent such gain exceeds the amount of “net underlying long-term capital gain” (as defined in Section 1260 of the Code) (the “Excess Gain”). In addition, an interest charge will also apply to any deemed underpayment of tax in respect of any Excess Gain to the extent such gain would have resulted in gross income inclusion for the U.S. holder in taxable years prior to the taxable year of the sale, exchange or maturity of the Note (assuming such income accrued at a constant rate equal to the applicable federal rate as of the date of sale, exchange or maturity of the Note). Furthermore, unless otherwise established by clear and convincing evidence, the “net underlying long-term capital gain” is treated as zero.

Although the matter is not clear, there exists a risk that an investment in the Notes will be treated as a “constructive ownership transaction.” If such treatment applies, it is not entirely clear to what extent any long-term capital gain recognized by a U.S.

holder in respect of a Note will be recharacterized as ordinary income. It is possible, for example, that the amount of the Excess Gain (if any) that would be recharacterized as ordinary income in respect of each Note will equal the excess of (i) any long-term capital gain recognized by the U.S. holder in respect of such a Note and attributable to the Underlying Shares over (ii) the “net underlying long-term capital gain” such U.S. holder would have had if such U.S. holder had acquired a number of the Underlying Shares at fair market value on the original issue date of such Note for an amount equal to the “issue price” of the Note allocable to the Underlying Shares and, upon the date of sale, exchange or maturity of the Notes, sold such Underlying Shares at fair market value (which would reflect the percentage increase in the value of the Underlying Shares over the term of the Notes). Accordingly, it is possible that all or a portion of any gain on the sale or settlement of a Note after one year could be treated as “Excess Gain” from a “constructive ownership transaction,” which gain would be recharacterized as ordinary income, and subject to an interest charge. U.S. holders should consult their tax advisors regarding the potential application of the “constructive ownership” rules.

Under current law, while the matter is not entirely clear, individual non-U.S. holders, and entities whose property is potentially includible in those individuals’ gross estates for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers), should note that, absent an applicable treaty benefit, the Notes are likely to be treated as U.S. situs property, subject to U.S. federal estate tax. These individuals and entities should consult their own tax advisors regarding the U.S. federal estate tax consequences of investing in the Notes.

A “dividend equivalent” payment is treated as a dividend from sources within the United States and such payments generally would be subject to a 30% U.S. withholding tax if paid to a non-U.S. holder. Under U.S. Treasury Department regulations, payments (including deemed payments) with respect to equity-linked instruments (“ELIs”) that are “specified ELIs” may be treated as dividend equivalents if such specified ELIs reference an interest in an “underlying security,” which is generally any interest in an entity taxable as a corporation for U.S. federal income tax purposes if a payment with respect to such interest could give rise to a U.S. source dividend. However, Internal Revenue Service guidance provides that withholding on dividend equivalent payments will not apply to specified ELIs that are not delta-one instruments and that are issued before January 1, 2021. Based on the Issuer’s determination that the Notes are not “delta-one” instruments, non-U.S. holders should not be subject to withholding on dividend equivalent payments, if any, under the Notes. However, it is possible that the Notes could be treated as deemed reissued for U.S. federal income tax purposes upon the occurrence of certain events affecting the Reference Asset or the Notes, and following such occurrence the Notes could be treated as subject to withholding on dividend equivalent payments. Non-U.S. holders that enter, or have entered, into other transactions in respect of the Reference Asset or the Notes should consult their tax advisors as to the application of the dividend equivalent withholding tax in the context of the Notes and their other transactions. If any payments are treated as dividend equivalents subject to withholding, we (or the applicable paying agent) would be entitled to withhold taxes without being required to pay any additional amounts with respect to amounts so withheld.

For a discussion of the U.S. federal income tax consequences of your investment in a Note, please see the discussion under “U.S. Federal Income Tax Considerations” in the accompanying prospectus supplement.

### **Validity of the Notes**

In the opinion of Mayer Brown LLP, as counsel to the Issuer, when this pricing supplement has been attached to, and duly notated on, the master note that represents the Notes pursuant to the Senior Indenture referred to in the prospectus supplement dated February 26, 2018, and issued and paid for as contemplated herein, the Notes offered by this pricing supplement will be valid, binding and enforceable obligations of the Issuer, entitled to the benefits of the Senior Indenture, subject to applicable bankruptcy, insolvency and similar laws affecting creditors’ rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith). This opinion is given as of the date hereof and is limited to the laws of the State of New York, the Maryland General Corporation Law (including the statutory provisions, all applicable provisions of the Maryland Constitution and the reported judicial decisions interpreting the foregoing) and the federal laws of the United States of America. This opinion is subject to customary assumptions about the trustee’s authorization, execution and delivery of the Senior Indenture and the genuineness of signatures and to such counsel’s reliance on the Issuer and other sources as to certain factual matters, all as stated in the legal opinion dated March 1, 2018, which has been filed as Exhibit 5.4 to the Issuer’s registration statement on Form S-3 dated February 26, 2018.