

Union Bank, N.A.

Market-Linked Certificates of Deposit, due September 25, 2017 (MLCD No. 68)

Principal Protected Capped Return Linked to the Dow Jones-UBS Commodity IndexSM ("DJ-UBSCISM")

Set forth below are the terms and conditions of the Union Bank, N.A. (the "Bank") Principal Protected Capped Return Market-Linked Certificates of Deposit (the "MLCDs"). You should carefully review this Disclosure Supplement (the "Supplement"), as well as the attached Disclosure Statement, before deciding if an investment in an MLCD is appropriate for you. In the event of any inconsistency between the Disclosure Statement and the Supplement, the terms of the Supplement will control. In general, the MLCDs are designed for investors who seek principal protection along with participation in the potential appreciation of the Investment Benchmark, subject to a Maximum Indexed Interest Amount as described below, and who are prepared to hold the MLCD until the Maturity Date. All capitalized terms used but not defined herein have the meanings set forth in the Disclosure Statement.

MLCD Description

Each MLCD is a seven-year certificate of deposit that pays a return based on the performance of the DJ-UBSCISM (the "Investment Benchmark"), subject to a minimum return if held to maturity, and also subject to a Maximum Indexed Amount as described below. This return is therefore not a fixed coupon and no Periodic Interest Payments will be made on the MLCDs.

- **Return Potential:** The interest payment to the depositor is equal to the appreciation of the Investment Benchmark over the term of the MLCDs; provided, however, that the return will not exceed the Maximum Indexed Interest Amount (as defined below) regardless of the performance of the Investment Benchmark. Investors should be willing to forgo return potential above the Maximum Indexed Interest Amount in exchange for principal protection and FDIC insurance as described below.
- **Principal Protection:** At maturity, you will receive repayment of your Deposit Amount and an amount no less than the Minimum Indexed Interest Amount, regardless of the performance of the Investment Benchmark. Investors who redeem all or a portion of their MLCD early may lose a portion of their Deposit Amount.
- **FDIC Insurance:** The MLCDs are our deposit obligations and are therefore eligible for FDIC coverage up to applicable limits set by federal law and regulation. The FDIC insures all deposits maintained by a depositor in the same ownership capacity (i.e., individual or joint) at the same insured depository institution up to an aggregate amount of \$250,000. If you hold more than this amount in deposits with the Bank (including the MLCDs you purchase), you will not receive the benefit of FDIC insurance for any balance in excess of that amount. Further, with respect to the MLCDs, the FDIC insurance covers only the Deposit Amount and does not include any Indexed Interest Amount, Minimum Indexed Interest Amount or secondary market premium. You are responsible for determining and monitoring the FDIC insurance coverage limit in purchasing any MLCD. The Bank has no obligation to monitor the FDIC insurance coverage that is available to you.
- **IRA Eligible:** MLCDs are eligible investments for individual retirement accounts ("IRAs").

Risks and Considerations

Purchasing an MLCD involves a number of risks, including risks not typically associated with fixed-rate or floating-rate certificates of deposit or debt instruments. The Bank recommends that prospective investors carefully consider, together with their financial, legal, accounting, tax and other advisors, those risks in determining the suitability of an MLCD in light of their financial circumstances. Please refer to the accompanying Disclosure Statement for a more detailed discussion of these risks which include, but are not limited to:

- You are not guaranteed the return of the Deposit Amount if your MLCD is not held to maturity. In addition, if you choose to exercise the Early Redemption feature, you are not guaranteed the return of the Deposit Amount.
- Neither the Bank nor any Offering Broker is required to, nor does the Bank or any of its affiliates intend to, make a secondary market in the MLCDs. There is no assurance that a secondary market will develop. Funds needed prior to maturity should not be invested in MLCDs.
- The MLCDs may yield a return that is less than that of a traditional certificate of deposit or debt instrument of a comparable maturity.
- Interest on the MLCDs will be subject to annual income taxes based upon a comparable yield for the issuance, even though no payments will be made on the MLCDs until the Maturity Date, absent early redemption. You may incur a tax liability without any offsetting income from the MLCDs. Interest is taxed as ordinary income which may be taxed at a higher rate than the lower capital gains rate normally paid by investors on longer term investments. See "United States Federal Income Tax Considerations" herein and in the Disclosure Statement.
- The Indexed Interest Amount (as defined below) may not reflect the full upside performance of the Investment Benchmark because it cannot exceed the Maximum Indexed Interest Amount. The Indexed Interest Amount is based on the closing value of the Investment Benchmark on a single day. Your return could be significantly different if it were determined on a different day, although we cannot predict the direction or magnitude of the changes that would result in the selection of any different date.
- Although the return on the MLCD is linked to the performance of the Investment Benchmark, you will not have any rights in or to the shares comprising the Dow Jones-UBS Commodity IndexSM, including any beneficial ownership rights such as dividends or voting.
- The MLCDs will not be regulated by the U.S. Commodity Futures Trading Commission. In addition, the Indexed Interest Amount will be subject to market volatility and risks relating to commodities and to the Investment Benchmark include futures contracts traded on foreign exchanges which may be less regulated than U.S. markets.
- Because the MLCDs are linked to the Investment Benchmark, which reflects the return on futures contracts on different exchange-traded physical commodities, it will be less diversified than funds or investment portfolios investing in a broader range of products. Additionally, subject to the minimum/maximum diversification limits, the exchange-traded physical commodities underlying the futures contracts included in the Investment Benchmark from time to time are concentrated in a limited number of sectors, particularly energy, metals, and agriculture. As a result, the market price of the MLCDs prior to maturity could be subject to greater volatility.

The MLCDs are made available through UnionBanc Investment Services, LLC ("UBIS"), a subsidiary of the Bank. The MLCDs are time deposit obligations of the Bank, a national banking association, and are not obligations of UnionBanCal Corporation, the Offering Brokers, or any other company affiliated with the Bank. None of UnionBanCal Corporation, UBIS or any other affiliate of the Bank guarantees the financial condition of the Bank.

Key Terms

Issuer.....	Union Bank, N.A.
Investment Benchmark	Dow Jones-UBS Commodity Index SM (ticker: DJUBS).
Currency	USD.
Minimum Deposit Amount.....	\$1,000 principal amount (except that each Offering Broker may, in its discretion, impose a higher minimum deposit amount with respect to the MLCD sales to its customers) and multiples of \$1,000 principal amount in excess of such amount.
Offering Period	August 27, 2010 – September 24, 2010 at 12:00 p.m. PDT.
Pricing Date	The date on which the MLCDs are priced. We expect to price the MLCDs on September 24, 2010. If we price the MLCDs on a day other than on the Pricing Date, you will be notified of the changes in the final Supplement.
Issue Date (Settlement Date)	September 29, 2010.
Maturity Date	September 25, 2017.
Payment at Maturity.....	The Deposit Amount plus the greater of (i) the Minimum Indexed Interest Amount and (ii) the Indexed Interest Amount.
Indexed Interest Amount.....	The outstanding Deposit Amount multiplied by: $\frac{(\text{Final Closing Value} - \text{Initial Closing Value})}{\text{Initial Closing Value}}$ <i>provided; however</i> , the Indexed Interest Amount may not exceed the Maximum Indexed Interest Amount (as defined below) regardless of the performance of the Investment Benchmark. The Indexed Interest Amount is based solely on the change in the Investment Benchmark from the Initial Closing Value to the Final Closing Value. No interim changes in the Investment Benchmark, including increases, will be considered in determining the Indexed Interest Amount.
Maximum Indexed Interest Amount	The Maximum Indexed Interest Amount at maturity will be 65.00%-75.00% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 7.42%-8.33% Annual Percentage Yield. The precise Maximum Indexed Interest Amount will be determined on the Pricing Date subject to the range specified above.
Initial Closing Value	The value of the Investment Benchmark as of the close of trading on the Relevant Exchange on the Pricing Date.
Final Closing Value.....	The value of the Investment Benchmark as of the close of trading on the Relevant Exchange on September 20, 2017 (the "Final Valuation Date"). Changes in the value of the Investment Benchmark from the Final Valuation Date to the Maturity Date will not affect the Indexed Interest Amount or the return on the MLCD.
Minimum Indexed Interest Amount	The Minimum Indexed Interest Amount at maturity will be 3.50% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 0.49% Annual Percentage Yield.
Annual Percentage Yield (APY).....	0.49% (if the Final Closing Value of the Investment Benchmark does not exceed the Initial Closing Value, so that only the outstanding Deposit Amount and the Minimum Indexed Interest Amount is payable on the MLCDs). APYs assume that the MLCDs were purchased in the original offering and are calculated on the basis of a 365-day year.
Periodic Interest Payments.....	None.
Call Feature	None.

Early Redemption Dates.....	The 15th of each March, June, September, and December, beginning September 15, 2011 . The amount you receive upon an early redemption (the "Early Redemption Amount") is described in the section of the Disclosure Statement entitled "General Description of the MLCDs - Early Redemption." Upon an Early Redemption, the value of your MLCD may be less than if held to maturity and will be impacted by the factors described under "Risk Factors - Value of the MLCDs Prior to Maturity May Be Substantially Less Than Your Deposit Amount" in the Disclosure Statement.
Survivor's Option	Upon the death or adjudication of incompetence of the beneficial owner of the MLCD, the estate will be entitled to the return of the full Deposit Amount. The estate will not be entitled to additional payments associated with the performance of the Investment Benchmark or any secondary market premiums that may have been paid.
Survivor's Option Payment Dates.....	The 10 th of each month, beginning November 10, 2010.
Calculation Agent	Union Bank, N.A.
CUSIP.....	90521ACV8

Illustrative Examples

The following examples are provided for illustration purposes only and are hypothetical. They are not representative of every possible scenario concerning possible Indexed Interest Amounts that could result from possible changes in the value of the Investment Benchmark over the term of the MLCD. We cannot predict the Initial Closing Value or the Final Closing Value. The assumptions we have made in connection with the illustrations set forth below may not reflect actual events, and the hypothetical Initial Closing Value and Final Closing Value of the Investment Benchmark used in the scenarios below may not be the actual Initial Closing Value or the Final Closing Value of the Investment Benchmark. The examples assume a Maximum Indexed Interest Amount of \$650.00 per \$1,000 Deposit Amount (65.00% multiplied by a Deposit Amount of \$1,000) in the MLCDs. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date subject to the 65.00% - 75.00% range noted above. You should not take these examples as an indication or assurance of the expected performance of the Investment Benchmark or of the return on the MLCD.

The following scenarios indicate how the Indexed Interest Amount would be calculated with respect to a hypothetical \$1,000 Deposit Amount in the MLCDs. These scenarios assume that there is no early redemption, and that the MLCDs are held to maturity.

<i>Indexed Interest Amount:</i>	The outstanding Deposit Amount multiplied by: $\frac{(\text{Final Closing Value} - \text{Initial Closing Value})}{\text{Initial Closing Value}}$ provided; however, the Indexed Interest Amount may not exceed the Maximum Indexed Interest Amount (as defined below) regardless of the performance of the Investment Benchmark.
<i>Maximum Indexed Interest Amount:</i>	The Maximum Indexed Interest Amount at maturity will be 65.00%-75.00% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 7.42%-8.33% APY. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date, subject to the 65.00%-75.00% range noted above, multiplied by the outstanding Deposit Amount on the Maturity Date.
<i>Minimum Indexed Interest Amount</i>	3.50% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 0.49% APY.
<i>Payment at Maturity:</i>	The Deposit Amount plus the greater of (i) the Minimum Indexed Interest Amount, and (ii) the Indexed Interest Amount.

Hypothetical Scenarios

The following table shows hypothetical values of the **DJ-UBSCISM** Index for several different scenarios over the term of the MLCDs. Because the value of the **DJ-UBSCISM** Index may be subject to significant fluctuations over the term of the MLCDs, we can not show the range of all possible interest amounts that would result from given changes in the value of the **DJ-UBSCISM**. These hypothetical examples are for purposes of illustration only. The actual Payment at Maturity will depend on the actual values of the **DJ-UBSCISM** Index used to calculate the Indexed Interest Amount at maturity.

The following table indicates how the interest payable on the MLCD would be calculated with respect to 9 different hypothetical scenarios assuming an Initial Closing Value of 128.75 and Final Closing Values in the range of 83.69 to 238.19, all of which are subject to the Maximum Indexed Interest Amount. The Payment at Maturity equals the outstanding Deposit Amount plus the interest payable at maturity multiplied by the outstanding Deposit Amount.

Scenarios	Initial Closing Value	Final Closing Value	(Final Closing Value - Initial Closing Value) (Initial Closing Value)	Interest Payable at Maturity	APY	Payment at Maturity
A	128.75	83.69	-35.00%	3.50%	0.49%	\$ 1,035.00
B	128.75	109.44	-15.00%	3.50%	0.49%	\$ 1,035.00
C	128.75	128.75	0.00%	3.50%	0.49%	\$ 1,035.00
D	128.75	131.33	2.00%	3.50%	0.49%	\$ 1,035.00
E	128.75	141.63	10.00%	10.00%	1.37%	\$ 1,100.00
F	128.75	160.94	25.00%	25.00%	3.24%	\$ 1,250.00
G	128.75	193.13	50.00%	50.00%	5.97%	\$ 1,500.00
H	128.75	225.31	75.00%	65.00%	* 7.42%	* \$ 1,650.00 *
I	128.75	238.19	85.00%	65.00%	* 7.42%	* \$ 1,650.00 *

*The interest payable at maturity and the Payment at Maturity for these periods have been reduced to reflect the Maximum Indexed Interest Amount since the Final Closing Value is more than 65.00% higher than the Initial Closing Value. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date, subject to the 65.00%-75.00% range herein, and will not be less than 65.00% multiplied by the outstanding Deposit Amount on the Maturity Date.

Hypothetical Scenario A

In this scenario, because the Final Closing Value finished below the Initial Closing Value, the investor would receive the Deposit Amount plus the Minimum Indexed Interest Amount, for a total Payment at Maturity of $\$1,000 + (\$1,000 * 3.50\%) = \$1,035$.

Hypothetical Scenario D

In this scenario, the Indexed Interest Amount is greater than zero but less than the Minimum Indexed Interest Amount, so the investor would receive the Deposit Amount plus the Minimum Indexed Interest Amount, for a total Payment at Maturity of $\$1,000 + (\$1,000 * 3.50\%) = \$1,035$.

Hypothetical Scenario F

In this scenario, the Indexed Interest Amount is greater than the Minimum Indexed Interest Amount and less than the Maximum Indexed Interest Amount, so the investor would receive the Deposit Amount plus the Indexed Interest Amount, for a total Payment at Maturity of $\$1,000 + (\$1,000 * 25.00\%) = \$1,250$.

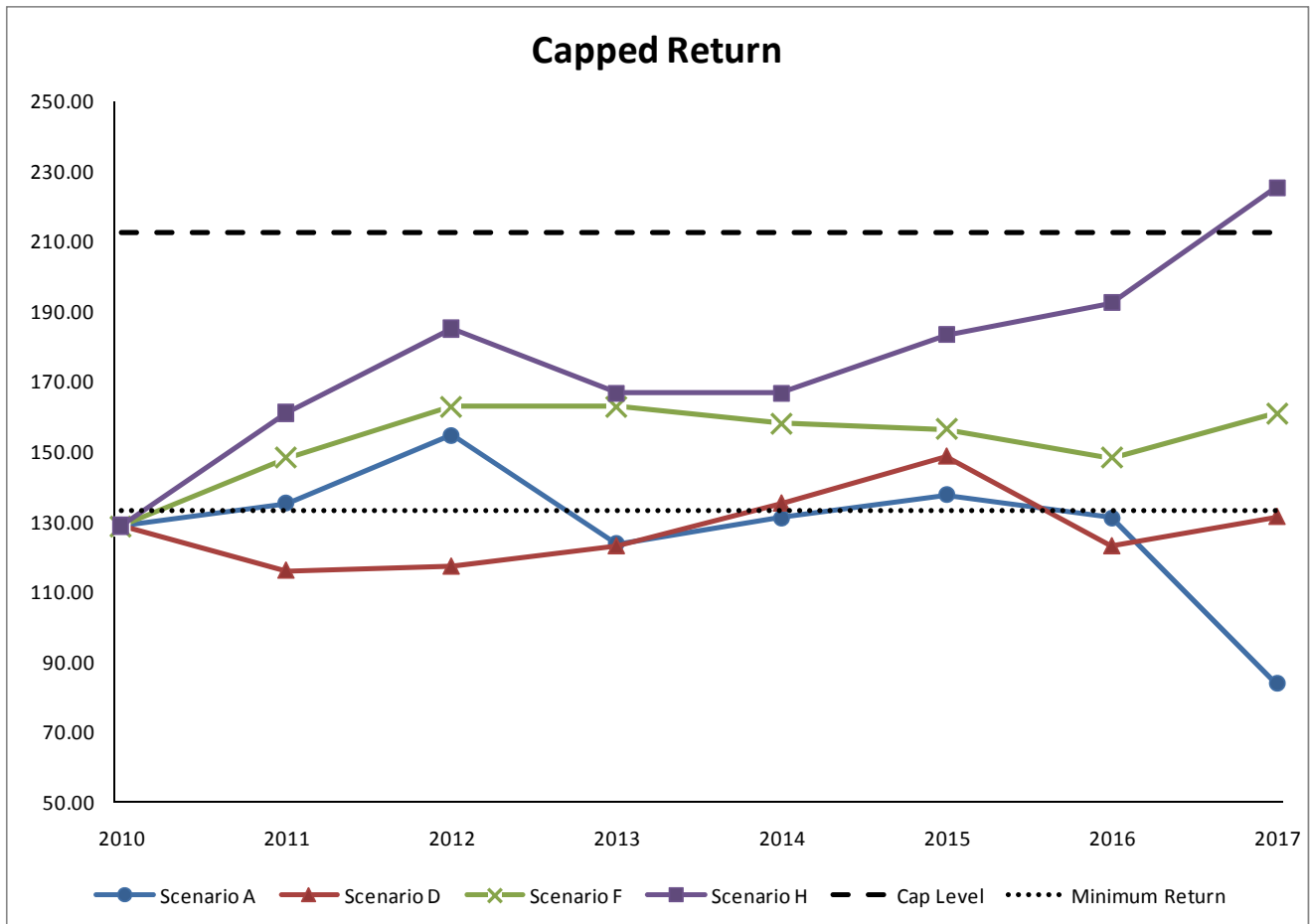
Hypothetical Scenario H

In this scenario, the investor would receive the Maximum Indexed Interest Amount at maturity since the Final Closing Value is more than 65.00% above the Initial Closing Value, for a total Payment at Maturity of $\$1,000 + (\$1,000 * 65.00\%) = \$1,650$.

As illustrated in the hypothetical scenarios above and in the Description of the MLCDs, the Payment at Maturity on the MLCD is effectively bound between the Minimum Indexed Interest Amount (3.50%) and the Maximum Indexed Interest Amount (65.00% in these scenarios), providing a \$1,000 MLCD depositor with a Payment at Maturity between \$1,035 and \$1,650. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date subject to the 65.00% - 75.00% range herein multiplied by the outstanding Deposit Amount.

Hypothetical Scenarios (Continued)

The graph below of the four hypothetical scenarios described above illustrates that changes in the Investment Benchmark, including increases, between the Pricing Date and September 20, 2017 are not used in determining the Indexed Interest Amount. Only the Initial Closing Value on the Pricing Date and the Final Closing Value on September 20, 2017 are used in determining the Indexed Interest Amount. For example, in Scenario A, the Investment Benchmark increases to 154.50, a 20% increase from the hypothetical 128.75 Initial Closing Value, during the term of the MLCD; however, the Payment at Maturity is based on the Final Closing Value of 83.69 resulting in a Payment at Maturity of \$1,035, the outstanding Deposit Amount plus the Minimum Indexed Interest Amount.



Investment Benchmark

We have obtained all information regarding the Investment Benchmark contained in this Supplement from publicly-available information. That information reflects the policies of, and is subject to change by Dow Jones and UBS, the Investment Benchmark Sponsors. The Investment Benchmark Sponsors have no obligation to continue to publish, and may discontinue publication of, the Investment Benchmark. The consequences of the Investment Benchmark Sponsors discontinuing publication of the Investment Benchmark are described in the section entitled “Discontinuance or Modification to the Investment Benchmark” below. We do not assume any responsibility for the accuracy or completeness of any information relating to the Investment Benchmark.

The Dow Jones-UBS Commodity Index SM

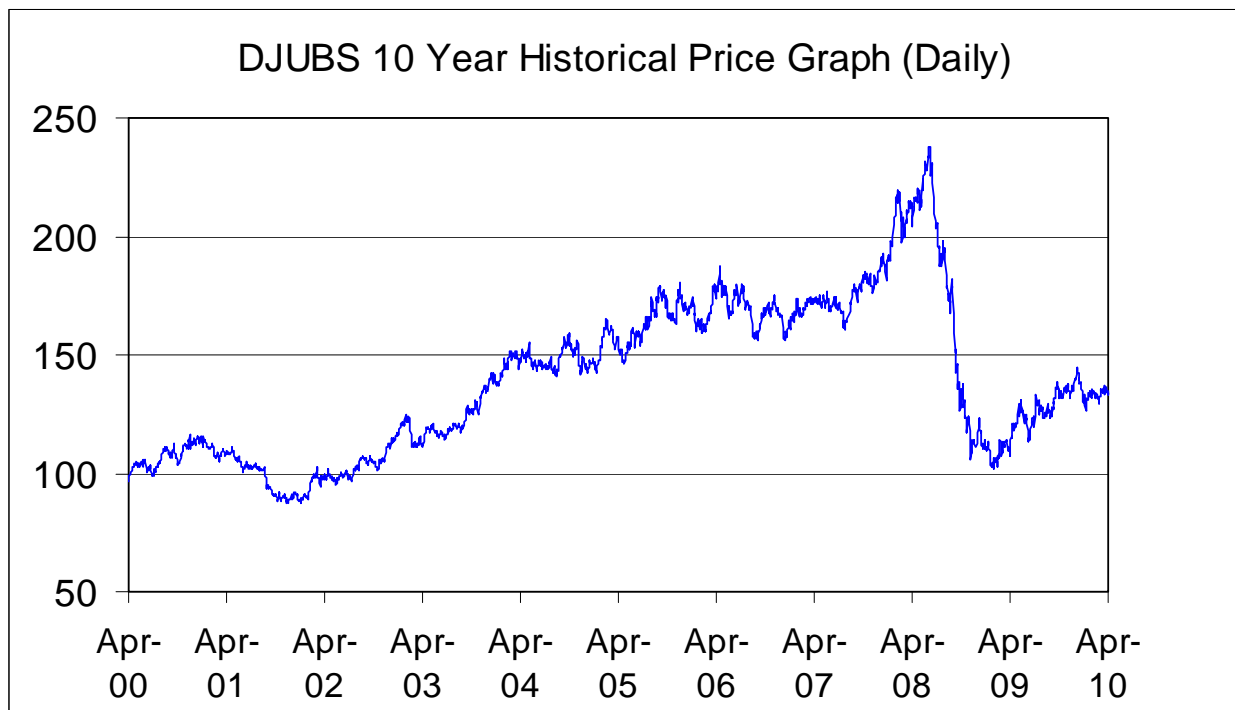
The **DJ-UBSCI**SM is designed to be a highly liquid and diversified benchmark for commodities as an asset class. The **DJ-UBSCI**SM is currently composed of futures contracts on 19 physical commodities in five groups (energy, agriculture, precious metals, industrial metals and livestock). No one commodity can comprise less than 2% or more than 15% of the index, and no group can represent more than 33% of the index (as of the annual reweightings of the components). The weightings for each commodity included in the **DJ-UBSCI**SM are calculated in accordance with rules that ensure that the relative proportion of each of the underlying individual commodities reflects its global economic significance and market liquidity. Annual rebalancing and reweighting ensure that diversity is maintained over time. The **DJ-UBSCI**SM is quoted in USD. Below is a chart with the 2010 target weights, which are in effect as of January 2010.

Commodity	Target Weight*
Crude Oil	14.3%
Natural Gas	11.6%
Gold	9.1%
Soybeans	7.9%
Copper	7.6%
Corn	7.1%
Aluminum	5.7%
Wheat	4.7%
Heating Oil	3.6%
Live Cattle	3.6%
Unleaded Gasoline	3.5%
Silver	3.3%
Zinc	3.0%
Soybean Oil	3.0%
Sugar	2.9%
Coffee	2.6%
Nickel	2.4%
Lean Hogs	2.1%
Cotton	2.0%

* Target weights have been rounded to the nearest tenth of a percent for ease of presentation.

Historical Closing Values of the Dow Jones-UBS Commodity Index SM

Since its inception, the **DJ-UBSCI**SM has experienced significant fluctuations. Any historical upward or downward trend in the value of the **DJ-UBSCI**SM during any period shown below is not an indication that the value of the **DJ-UBSCI**SM is more or less likely to increase or decrease at any time during the term of the MLCDs. The historical **DJ-UBSCI**SM values do not give an indication of future performance of the **DJ-UBSCI**SM. We cannot assure you that the future performance of the **DJ-UBSCI**SM or the constituent commodities or underlying commodities futures contracts of the **DJ-UBSCI**SM will result in holders of the MLCDs receiving an amount greater than the outstanding deposit amount of the MLCDs and the Minimum Indexed Interest Amount on the maturity date.



The table below sets forth the quarterly high and low closing values, as well as end-of-quarter closing values, of the **DJ-UBSCISM** for each of the quarters from 2000 to present. We obtained the data in the table from Bloomberg, LP. Historical price values of the **DJ-UBSCISM** should not be used as an indication of future performance.

Quarter Ending	Quarterly High	Quarterly Low	Quarterly Close
Mar-00	102.25	90.75	98.52
Jun-00	105.75	94.63	104.76
Sep-00	111.17	99.00	106.98
Dec-00	116.09	103.54	114.61
Mar-01	115.55	105.37	105.37
Jun-01	110.83	100.69	101.57
Sep-01	104.61	93.89	95.11
Dec-01	94.53	87.41	89.03
Mar-02	99.59	87.37	99.59
Jun-02	101.58	94.11	99.52
Sep-02	106.99	96.86	106.29
Dec-02	112.93	101.14	110.28
Mar-03	125.05	111.20	113.17
Jun-03	120.83	110.97	115.79
Sep-03	121.32	114.02	120.90
Dec-03	137.32	124.82	135.27
Mar-04	151.69	136.82	150.84
Jun-04	154.99	143.29	144.03
Sep-04	153.18	140.99	153.18
Dec-04	159.29	141.27	145.60
Mar-05	165.25	142.41	162.09
Jun-05	161.40	146.08	152.89
Sep-05	179.07	154.11	178.25
Dec-05	180.24	163.36	171.15
Mar-06	174.22	158.78	165.19
Jun-06	187.63	165.35	173.24
Sep-06	179.53	156.59	159.96
Dec-06	175.21	165.76	166.51
Mar-07	173.50	160.60	171.96
Jun-07	176.48	168.52	169.67
Sep-07	179.72	161.06	178.25
Dec-07	185.57	176.22	184.96
Mar-08	219.09	181.16	201.60
Jun-08	234.12	204.00	233.03
Sep-08	209.88	167.39	167.78
Dec-08	137.63	106.09	117.24
Mar-09	114.25	102.00	109.78
Jun-09	131.12	107.49	122.54
Sep-09	132.92	113.24	127.68
Dec-09	140.05	124.17	139.19
Mar-10	145.03	126.56	132.15
Mar-00 through Mar-10	234.12	87.37	132.15

License Agreement

The license agreement between the Bank and Dow Jones and UBS requires that the following language be stated in this Supplement:

The Dow Jones-UBS Commodity IndexesSM are a joint product of Dow Jones Indexes, a licensed trademark of CME Group Index Services LLC (“CME Indexes”), and UBS Securities LLC (“UBS Securities”), and have been licensed for use. “Dow Jones®”, “DJ”, “Dow Jones Indexes”, “UBS”, “Dow Jones-UBS Commodity IndexSM”, and “DJ-UBSCISM” are service marks of Dow Jones Trademark Holdings, LLC (“Dow Jones”) and UBS AG (“UBS AG”), as the case may be, have been licensed to CME Indexes and have been licensed for use for certain purposes by Union Bank, N.A..

The MLCDs are not sponsored, endorsed, sold or promoted by Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates. None of Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates makes any representation or warranty, express or implied, to the owners of or counterparts to the MLCDs or any member of the public regarding the advisability of investing in securities or commodities generally or in the MLCDs particularly. The only relationship of Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates to the Licensee is the licensing of certain trademarks, trade names and service marks and of the DJ-UBSCISM, which is determined, composed and calculated by CME Indexes in conjunction with UBS Securities without regard to the Bank or the MLCDs. Dow Jones, UBS Securities and CME Indexes have no obligation to take the needs of the Bank or the owners of the MLCDs into consideration in determining, composing or calculating DJ-UBSCISM. None of Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their respective subsidiaries or affiliates is responsible for or has participated in the determination of the timing of, prices at, or quantities of the MLCDs to be issued or in the determination or calculation of the equation by which the MLCDs are to be converted into cash. None of Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates shall have any obligation or liability, including, without limitation, to MLCDs customers, in connection with the administration, marketing or trading of the MLCDs. Notwithstanding the foregoing, UBS AG, UBS Securities, CME Group Inc. and their respective subsidiaries and affiliates may independently issue and/or sponsor financial products unrelated to the MLCDs currently being issued by Licensee, but which may be similar to and competitive with the MLCDs. In addition, UBS AG, UBS Securities, CME Group Inc. and their subsidiaries and affiliates actively trade commodities, commodity indexes and commodity futures (including the Dow Jones-UBS Commodity IndexSM and Dow Jones-UBS Commodity Index Total ReturnSM), as well as swaps, options and derivatives which are linked to the performance of such commodities, commodity indexes and commodity futures. It is possible that this trading activity will affect the value of the Dow Jones-UBS Commodity IndexSM and MLCDs.

The Supplement relates only to MLCDs and does not relate to the exchange-traded physical commodities underlying any of the Dow Jones-UBS Commodity IndexSM components. Purchasers of the MLCDs should not conclude that the inclusion of a futures contract in the Dow Jones-UBS Commodity IndexSM is any form of investment recommendation of the futures contract or the underlying exchange-traded physical commodity by Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates. The information in the Supplement regarding the Dow Jones-UBS Commodity IndexSM components has been derived solely from publicly available documents. None of Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates has made any due diligence inquiries with respect to the Dow Jones-UBS Commodity IndexSM components in connection with MLCDs. None of Dow Jones, UBS AG, UBS Securities, CME Indexes or any of their subsidiaries or affiliates makes any representation that these publicly available documents or any other publicly available information regarding the Dow Jones-UBS Commodity IndexSM components, including without limitation a description of factors that affect the prices of such components, are accurate or complete.

NONE OF DOW JONES, UBS AG, UBS SECURITIES, CME INDEXES OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES-UBS COMMODITY INDEXSM OR ANY DATA RELATED THERETO AND NONE OF DOW JONES, UBS AG, UBS SECURITIES, CME INDEXES OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS THEREIN. NONE OF DOW JONES, UBS AG, UBS SECURITIES, CME INDEXES OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE BANK OWNERS OF THE MLCDs OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES-UBS COMMODITY INDEXSM OR ANY DATA RELATED THERETO. NONE OF DOW JONES, UBS AG, UBS SECURITIES, CME INDEXES OR ANY OF THEIR

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Market Disruption Events

If a Market Disruption Event (as defined below) occurs with respect to an Investment Benchmark on a date on which the price or value thereof would otherwise be scheduled to be determined for purposes of calculating the Indexed Interest Amount or any other purpose (any such date an "Observation Date"), then the Calculation Agent will follow the Disruption Fallbacks (as defined below) to determine the price or value of the Investment Benchmark or any component thereof, as applicable, for any Observation Date. If (i) the applicable MLCDs have only a single Observation Date or Observation Dates occurring at the end of the term of the MLCDs, or (ii) a Market Disruption Event occurs on the final Observation Date or Observation Dates for a series of MLCDs that have multiple Observation Dates and such Observation Date or Observation Dates are postponed due to a Market Disruption Event, the maturity date for the MLCDs will be extended by no more than one day beyond the day on which the Calculation Agent determines the price as indicated below. No interest or other sum shall accrue to the depositors in the event that a payment is postponed due to a Market Disruption Event.

"Market Disruption Event" means the occurrence on any day or any number of consecutive days of any one or more of the following circumstances:

- (i) a failure by the applicable exchange or other price source to announce or publish (a) the final settlement price for the Investment Benchmark or (b) closing price for any futures contract included as a component in the Investment Benchmark;
- (ii) a material limitation, suspension, or disruption of trading in one or more of the futures contracts included as a component in the Investment Benchmark; or
- (iii) the closing price for any futures contract included as a component in the Investment Benchmark is a "limit price" (which means that the closing price for such contract for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules).

"Disruption Fallbacks" means the following fallback determination mechanism for the Investment Benchmark:

- (i) with respect to each futures contract included in the Investment Benchmark which is not affected by the Market Disruption Event, the price will be based on the closing prices of each such contract on the applicable determination date;
- (ii) with respect to each futures contract included in the Investment Benchmark which is affected by the Market Disruption Event, The price will be based on the closing prices of each such contract on the first day following the applicable determination date on which no Market Disruption Event is occurring with respect to such contract;
- (iii) subject to Clause (iv) below, the Calculation Agent shall determine the price by reference to the closing prices determined in Clauses (i) and (ii) above using the then-current method for calculating the price; and
- (iv) where a Market Disruption Event with respect to one of more futures contracts included in the Investment Benchmark continues to exist (measured from and including the first day following the applicable determination date) for five (5) consecutive Scheduled Trading Days, the Calculation Agent shall determine the price in good faith and in a commercially reasonable manner.

Discontinuance or Modifications to the Investment Benchmark

1. If the Investment Benchmark is permanently cancelled or is not calculated and announced by the Investment Benchmark Sponsors but (i) is calculated and announced by a successor sponsor (the "Successor Investment Benchmark Sponsor") acceptable to the Calculation Agent, or (ii) replaced by a successor index (the "Successor Investment Benchmark") using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the price, then the price will be deemed to be the price so calculated and announced by that Successor Investment Benchmark Sponsor or that Successor Investment Benchmark, as the case may be. The Calculation Agent determines that the price will be deemed to be the price so calculated and announced by that Successor Investment Benchmark Sponsor or that Successor Investment Benchmark, as the case may be.
2. If on or prior to the maturity date or Early Redemption Date, (i) the Investment Benchmark Sponsor makes a material change in the formula for or the method of calculating the price or in any other way materially modifies the Investment Benchmark (other than a modification prescribed in that formula or method to maintain the price, in the event of changes in constituent commodities or weightings and other routine events), or (ii) if the Investment Benchmark Sponsor permanently cancels the Investment Benchmark or (iii) fails to calculate and announce the price for a continuous period of 3 Scheduled Trading Days and the Calculation Agent determines that there is no Successor Investment Benchmark Sponsor or Successor Investment Benchmark, then the Calculation Agent may at its option (in the case of (i) and shall (in the case of such (ii) and (iii)) (such events (i) (ii) & (iii) to be collectively referred to as "Investment Benchmark Disruption Events") calculate the price using, in lieu of the published value for that Investment Benchmark (if any), the value for the Investment Benchmark as at the relevant determination date as determined by the Calculation Agent in accordance with the formula for and method of calculating the price last in effect prior to the relevant Investment Benchmark Disruption Event (as the case may be), but using only those futures contracts that comprised that Investment Benchmark immediately prior to the relevant Investment Benchmark Disruption Event (as the case may be) (other than those futures contracts that have ceased to be listed on any relevant exchange).

If at any time any Investment Benchmark is replaced by a Successor Investment Benchmark or the Calculation Agent must calculate the value of the Investment Benchmark upon the occurrence of an Investment Benchmark Disruption Event as described in the preceding paragraphs, the Calculation Agent will notify the Bank, and the Bank will provide notice to the holders of the MLCs. Such notification will be provided in accordance with the standard procedures of DTC.

UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

To ensure compliance with Treasury Department Circular 230, you are hereby notified that (a) any discussion of United States federal tax issues in this Disclosure Supplement is not intended or written to be relied upon, and cannot be relied upon by you for the purpose of avoiding penalties that may be imposed on you under the Internal Revenue Code of 1986, as amended (the “Code”), (b) this discussion is included herein by the Bank in connection with the promotion or marketing (within the meaning of Circular 230) by the Bank, UBIS and the Offering Brokers of the transactions or matters addressed in this Disclosure Supplement, and (c) you should seek advice based on your particular circumstances from an independent tax advisor.

The following discussion supplements (and, to the extent inconsistent with, supersedes) and should be read in conjunction with the discussion in the attached Disclosure Statement under “United States Federal Income Tax Considerations.” For purposes of that discussion, the MLCs are “long-term MLCs.”

The table below sets forth the following information with respect to each \$1,000 principal amount of the MLCs for each of the indicated accrual periods through the maturity dates of the MLCs:

- the adjusted issue price at the beginning of the accrual period;
- the amount of interest deemed to have accrued during the accrual period; and
- the total amount of interest deemed to have accrued from the original issue date through the end of the accrual period.

The table is based upon a hypothetical projected payment schedule (including both a hypothetical Indexed Interest Amount and a hypothetical comparable yield equal to 3.97% per annum (compounded annually), which is the Bank’s current estimate of the comparable yield, based upon market conditions as of the date of this Supplement) as determined by us for purposes of illustrating the application of the Code and the Treasury regulations to the MLCs. This tax accrual table is based upon a hypothetical projected payment schedule per \$1,000 principal amount of the MLCs, which would consist of a single payment of \$1,313.09 at maturity. This payment consists of the principal amount and a projection for tax purposes of the estimated Indexed Interest Amount. The actual “projected payment schedule” will be completed on the Pricing Date of the MLCs, and included in the final Supplement. This information is provided solely for tax purposes, and the Bank makes no representations or predictions as to what the actual Indexed Interest Amount will be.

The following table is for illustrative purposes only. The Bank will determine the actual projected payment schedule and the actual comparable yield on the Pricing Date. The tax accrual table will be revised accordingly and will be set forth in the final Supplement. The tax accrual table will depend upon actual market interest rates (and accordingly, the Bank’s borrowing costs for debt instruments with comparable maturities) as of the Pricing Date.

Accrual Period	Adjusted Issue Price at Beginning of Accrual Period	Interest Deemed to Accrue on the MLCs During the Accrual Period ⁽¹⁾	Total Interest Deemed to Have Accrued from Original Issue Date as of End of Accrual Period
September 29, 2010 to December 31, 2010	1,000.00	10.15	10.15
January 1, 2011 to December 31, 2011	1010.15	40.10	50.25
January 1, 2012 to December 31, 2012	1050.25	41.69	91.94
January 1, 2013 to December 31, 2013	1091.94	43.35	135.29
January 1, 2014 to December 31, 2014	1135.29	45.07	180.36
January 1, 2015 to December 31, 2015	1180.36	46.86	227.22
January 1, 2016 to December 31, 2016	1227.22	48.72	275.94
January 1, 2017 to September 25, 2017	1275.94	37.15	313.09

(1) Represents the adjusted issue price at the beginning of the accrual period multiplied by the hypothetical comparable yield for the accrual period.

Final Adjusted Issue Price = \$1,313.09 per \$1,000 principal amount of MLCs.

All prospective investors in the MLCs should consult their own tax advisors concerning the taxation of the MLCs.