

**Union Bank, N.A.**  
**Market-Linked Certificates of Deposit, due September 25, 2017 (MLCD No. 67)**  
Capped Return Linked to the Dow Jones Industrial Average<sup>SM</sup>

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Set forth below are the terms and conditions of the Union Bank, N.A. (the "Bank") 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 return of principal 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.

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### **MLCD Description**

Each MLCD is a seven-year certificate of deposit that pays a return based on the performance of the Dow Jones Industrial Average<sup>SM</sup> (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 return of principal and FDIC insurance as described below.
  - **Return of Principal:** 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. 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").
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### **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.
- If you hold more than the FDIC insured limitations 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. In this instance, the return of principal is subject to the credit risk of the Bank.
- 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 Industrial Average<sup>SM</sup>, including any beneficial ownership rights such as dividends or voting.

*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.*

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## Key Terms

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Issuer.....	Union Bank, N.A.
Investment Benchmark .....	Dow Jones Industrial Average <sup>SM</sup> (ticker: INDU).
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 26, 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: $\frac{(\text{Final Closing Value} - \text{Initial Closing Value})}{\text{Initial Closing Value}}$ <p><i>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. 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.</i></p>
Maximum Indexed Interest Amount .....	The Maximum Indexed Interest Amount at maturity will be 30.00%-40.00% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 3.82% - 4.93% 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 8.00% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 1.11% Annual Percentage Yield.
Annual Percentage Yield (APY).....	1.11% (if the Final Closing Value of the Dow Jones Industrial Average <sup>SM</sup> does not exceed 108% of 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 <b>September 15, 2011</b> . 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 <sup>th</sup> of each month, beginning November 10, 2010.
Calculation Agent.....	Union Bank, N.A.
CUSIP.....	90521ACU0

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## 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 \$300.00 per \$1,000 Deposit Amount (30.00% 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 30.00%-40.00% 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 30.00%-40.00% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 3.82% - 4.93% APY. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date, subject to the 30.00%-40.00% range noted above, multiplied by the outstanding Deposit Amount on the Maturity Date.
<i>Minimum Indexed Interest Amount</i>	8.00% multiplied by the outstanding Deposit Amount on the Maturity Date. This equates to a 1.11% 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 Dow Jones Industrial Average<sup>SM</sup> for several different scenarios over the term of the MLCDs. Because the value of the Dow Jones Industrial Average<sup>SM</sup> 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 Dow Jones Industrial Average<sup>SM</sup>. These hypothetical examples are for purposes of illustration only. The actual Payment at Maturity will depend on the actual values of the Dow Jones Industrial Average<sup>SM</sup> 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 10,215.00 and Final Closing Values in the range of 8,682.75 to 15,833.25 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	10215.00	8682.75	-15.00%	8.00%	1.11%	\$ 1,080.00
B	10215.00	9704.25	-5.00%	8.00%	1.11%	\$ 1,080.00
C	10215.00	10215.00	0.00%	8.00%	1.11%	\$ 1,080.00
D	10215.00	10725.75	5.00%	8.00%	1.11%	\$ 1,080.00
E	10215.00	11747.25	15.00%	15.00%	2.02%	\$ 1,150.00
F	10215.00	12768.75	25.00%	25.00%	3.24%	\$ 1,250.00
G	10215.00	13790.25	35.00%	30.00%	* 3.82%	* \$ 1,300.00 *
H	10215.00	14811.75	45.00%	30.00%	* 3.82%	* \$ 1,300.00 *
I	10215.00	15833.25	55.00%	30.00%	* 3.82%	* \$ 1,300.00 *

\*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 30.00% higher than the Initial Closing Value. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date, subject to the 30.00%-40.00% range noted above, and will not be less than 30.00% 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  $\$1,000 + (\$1,000 * 8.00\%) = \$1,080.00$

### 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  $\$1,000 + (\$1,000 * 8.00\%) = \$1,080.00$

### 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  $\$1,000 + (\$1,000 * 22.50\%) = \$1,225.00$

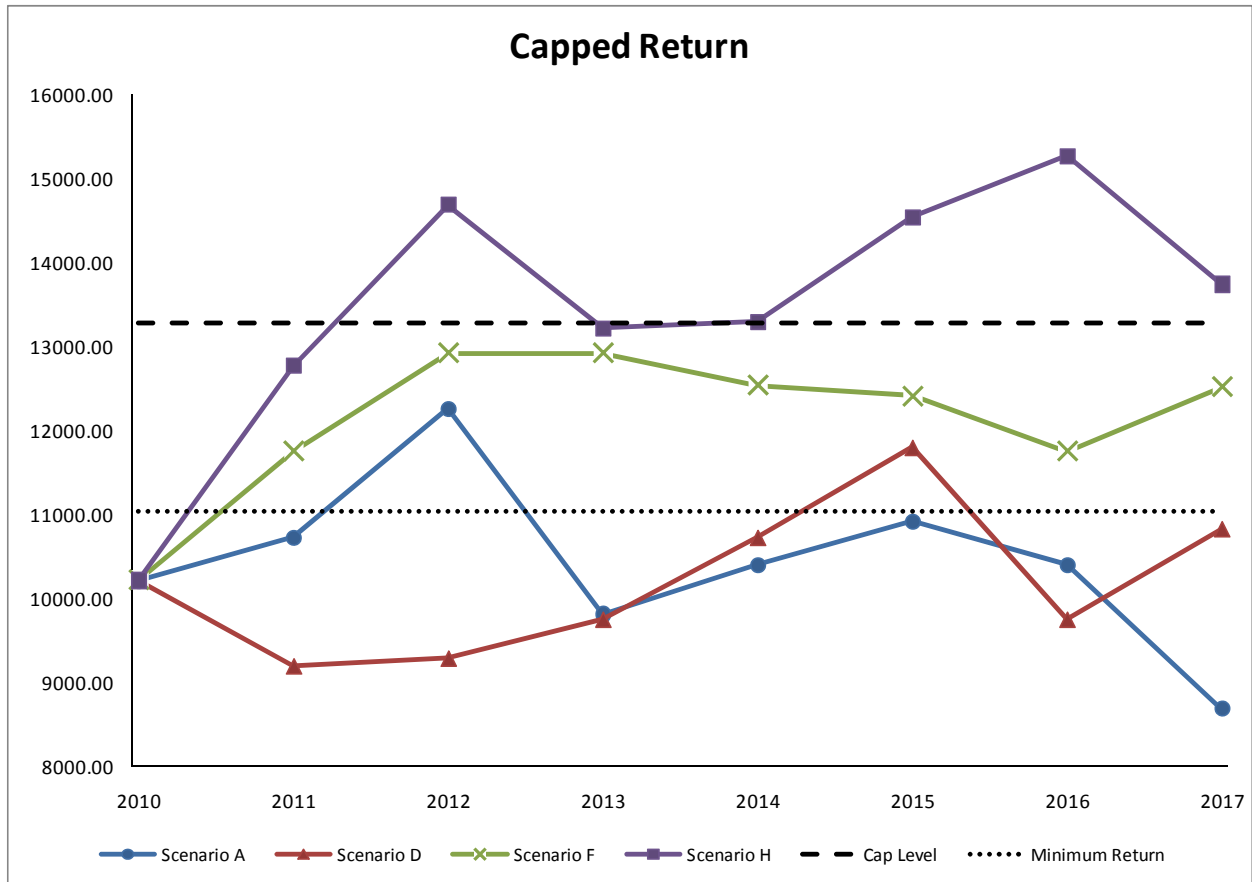
### Hypothetical Scenario H

In this scenario, the investor would receive the Maximum Indexed Interest Amount at maturity since the Final Closing Value is more than 30.00% above the Initial Closing Value, for a total Payment at Maturity of  $\$1,000 + (\$1,000 * 30.00\%) = \$1,300.00$

*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 (8.00%) and the Maximum Indexed Interest Amount (30.00% in these scenarios), providing a \$1,000 MLCD depositor with a Payment at Maturity between \$1,080.00 and \$1,300.00. The actual Maximum Indexed Interest Amount will be determined on the Pricing Date subject to the 30.00%-40.00% 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 a high value of 12,258.00 during the term of the MLCD, which would represent a 20.00% increase from the hypothetical 10,215.00 Initial Closing Value; however, since the Payment at Maturity is based on the Final Closing Value of 8,682.75, a Payment at Maturity of \$1,080.00 results, which is the outstanding Deposit Amount plus the Minimum Indexed Interest Amount.



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## Investment Benchmark

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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 CME Group Index Services LLC ("CME"), the "Investment Benchmark Sponsor." The Investment Benchmark Sponsor has no obligation to continue to publish, and may discontinue publication of, the Investment Benchmark. The consequences of the Investment Benchmark Sponsor discontinuing publication of the Investment Benchmark are described in the section entitled "General Description of the MLCDs – Discontinuance or Modification of an Investment Benchmark" in the Disclosure Statement. We do not assume any responsibility for the accuracy or completeness of any information relating to the Investment Benchmark.

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## Dow Jones Industrial Average<sup>SM</sup>

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The Dow Jones Industrial Average<sup>SM</sup> (referred to in this section as the "Index") is a price-weighted index rather than market capitalization-weighted index. The Index consists of one share of each of the 30 stocks currently included. Thus, the weightings of the components of the Index are affected only by changes in their prices, while the weightings of stocks in other indices are affected by price changes and changes in shares outstanding. This distinction stems from the fact that, when initially created, the Index was a simple average, and as a result, was computed merely by adding up the prices of the stock in the Index and dividing that sum by the total number of stocks included. However, over time it became clear that a method was needed to mitigate the effects of stock splits and composition changes to prevent these events from distorting the value of the Index. As a result, a divisor was created that has been periodically adjusted over time. This divisor, when divided into the sum of the prices of the stocks in the Index, generates the number that is reported every day to the public. Since the incorporation of the divisor, the Index can no longer be considered an average.

The Index was initially introduced to the public by Charles Dow in 1896 and comprised of only 12 stocks. It has since become one of the most well known and widely followed indicators of the U. S. stock market and is the oldest continuing stock market index in the world. Many of the companies currently represented in the Index are leaders in their respective industries. Because the Index is so well known and its performance is generally perceived to reflect that of the overall U.S. equity market, it is often used as a proxy for investments in U.S. equities.

The editors of The Wall Street Journal, which is published by Dow Jones, select the components of the Index based on a representative sample of broad U.S. industry. On a periodic basis, the editors review and make additions and subtractions to the composition of the Index. In selecting a company's stock to be included in the Index, the editors look for a leading industrial company with a successful history of growth and a wide interest among investors. However, the inclusion of any particular company in the Index does not constitute a prediction as to the company's future results of operations or stock market performance. For the sake of continuity, composition changes are rare, and generally have occurred only after corporate acquisitions or other dramatic shifts in a company's core business. When the editors of The Wall Street Journal decide that an Index component stock needs to be changed, they also review the other stocks in the Index to confirm their continued presence. For additional information on potential changes in the Index calculation over the term of the MLCD, please see "Discontinuance or Modification of an Investment Benchmark" in the Disclosure Supplement.

## **Dow Jones Industrial Average<sup>SM</sup> Component List**

The index currently consists of the common stock of the following 30 companies:

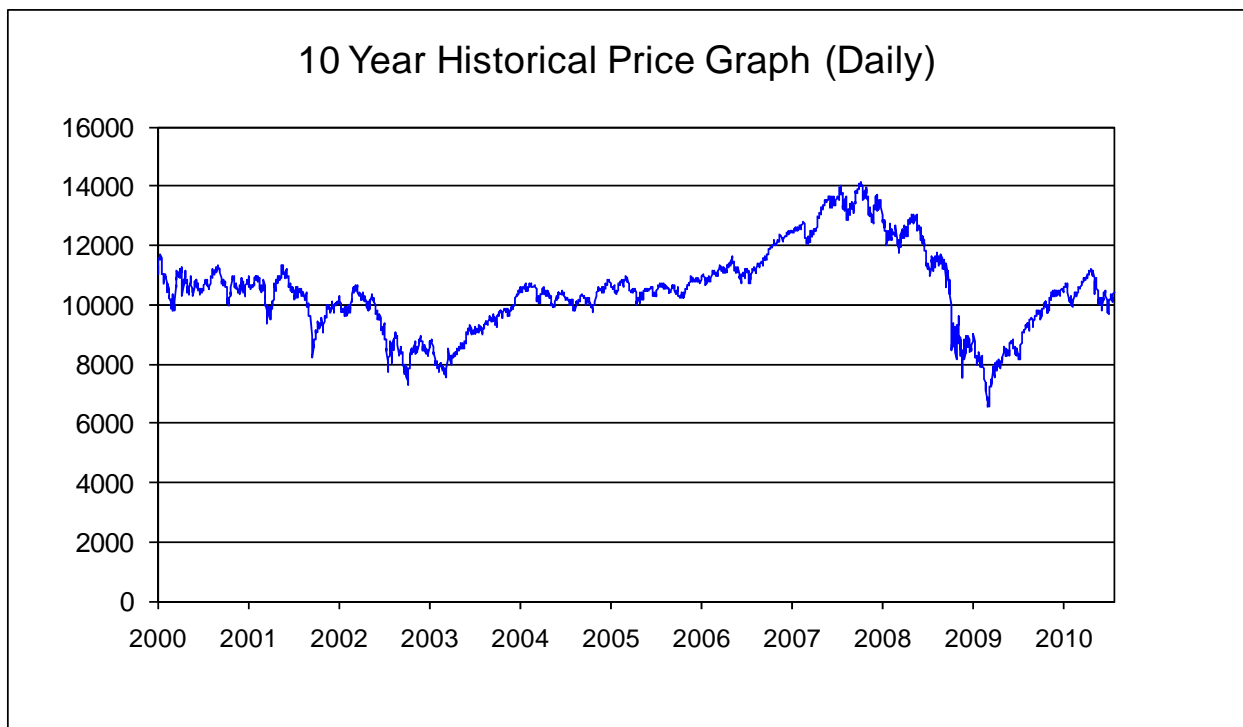
MMM	3M	INTC	Intel
AA	Alcoa Inc.	IBM	International Business Machines
AXP	American Express	JNJ	Johnson & Johnson
T	AT&T Inc.	JPM	JPMorgan Chase & Co.
BAC	Bank of America	KFT	Kraft Foods Inc.
BA	The Boeing Company	MCD	McDonald's
CAT	Caterpillar Inc.	MRK	Merck & Co Inc.
CVX	Chevron	MSFT	Microsoft
CSCO	Cisco Systems Inc.	PFE	Pfizer Inc.
KO	The Coca-Cola Company	PG	Procter & Gamble
DD	El du Pont de Nemours & Co.	TRV	Travelers Cos.
XOM	Exxon Mobil	UTX	United Technologies
GE	General Electric	VZ	Verizon Communications Inc.
HPQ	Hewlett-Packard	WMT	Wal-Mart Stores Inc.
HD	Home Depot Inc.	DIS	The Walt Disney Company

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## Historical Closing Values of the Dow Jones Industrial Average<sup>SM</sup>

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Since its inception, the Dow Jones Industrial Average<sup>SM</sup> has experienced significant fluctuations. Any historical upward or downward trend in the value of the Dow Jones Industrial Average<sup>SM</sup> during any period shown below is not an indication that the value of the Dow Jones Industrial Average<sup>SM</sup> is more or less likely to increase or decrease at any time during the term of the MLCDs. The historical Dow Jones Industrial Average<sup>SM</sup> values do not give an indication of future performance of the Index. We cannot assure you that the future performance of the Dow Jones Industrial Average<sup>SM</sup> or the constituent stocks of the Dow Jones Industrial Average<sup>SM</sup> will result in holders of the MLCDs receiving an amount greater than the outstanding face amount of the MLCDs 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 Dow Jones Industrial Average<sup>SM</sup> for each of the quarters from June 2000 to present. We obtained the data in the table from Bloomberg, LP. Historical price values of the Dow Jones Industrial Average<sup>SM</sup> should not be used as an indication of future performance.

Quarter Ending	Quarterly High	Quarterly Low	Quarterly Close
Jun-00	11287.08	10299.24	10447.89
Sep-00	11310.64	10481.47	10650.92
Dec-00	10977.21	9975.02	10786.85
Mar-01	10983.63	9389.48	9878.78
Jun-01	11337.92	9485.71	10502.40
Sep-01	10610.00	8235.81	8847.56
Dec-01	10136.99	8836.83	10021.50
Mar-02	10635.25	9618.24	10403.94
Jun-02	10381.73	9120.11	9243.26
Sep-02	9379.50	7591.93	7591.93
Dec-02	8931.68	7286.27	8341.63
Mar-03	8842.62	7524.06	7992.13
Jun-03	9323.02	8069.86	8985.44
Sep-03	9659.13	9036.04	9275.06
Dec-03	10453.92	9469.20	10453.92
Mar-04	10737.70	10048.23	10357.70
Jun-04	10570.81	9906.91	10435.48
Sep-04	10342.79	9814.59	10080.27
Dec-04	10854.54	9749.99	10783.01
Mar-05	10940.55	10368.61	10503.76
Jun-05	10623.07	10012.36	10274.97
Sep-05	10705.55	10270.68	10568.70
Dec-05	10931.62	10215.22	10717.50
Mar-06	11317.43	10667.39	11109.32
Jun-06	11642.65	10706.14	11150.22
Sep-06	11718.45	10739.35	11679.07
Dec-06	12510.57	11670.35	12463.15
Mar-07	12786.64	12050.41	12354.35
Jun-07	13676.32	12382.30	13408.62
Sep-07	14000.41	12845.78	13895.63
Dec-07	14164.53	12743.44	13264.82
Mar-08	13056.72	11740.15	12262.89
Jun-08	13058.20	11346.51	11350.01
Sep-08	11782.35	10365.45	10850.66
Dec-08	10831.07	7552.29	8776.39
Mar-09	9034.69	6547.05	7608.92
Jun-09	8799.26	7761.60	8447.00
Sep-09	9829.87	8146.52	9712.28
Dec-09	10548.51	9487.67	10428.05
Mar-10	10907.42	9908.39	10856.63
Jun-10	11205.03	9774.02	9774.02
Jun-00 through Jun-10	14164.53	6547.05	9774.02

## License Agreement

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

*The "Dow Jones Industrial Average<sup>SM</sup>" is a product of Dow Jones Indexes, a licensed trademark of CME Group Index Services LLC ("CME"), and has been licensed for use. "Dow Jones®", Dow Jones Industrial Average<sup>SM</sup> and "Dow Jones Indexes" are service marks of Dow Jones Trademark Holdings, LLC ("Dow Jones") and have been licensed to CME and have been [sub]licensed for use for certain purposes by Union Bank of California. The MLCDs are not sponsored, endorsed, sold or promoted by Dow Jones, CME or their respective affiliates. Dow Jones, CME and their respective affiliates make no representation or warranty, express or implied, to the owners of the MLCDs or any member of the public regarding the advisability of trading in the Product(s). Dow Jones', CME's and their respective affiliates' only relationship to the Licensee is the licensing of certain trademarks and trade names of Dow Jones and of the Dow Jones Industrial Average which is determined, composed and calculated by CME without regard to Union Bank of California or the MLCDs. Dow Jones and CME have no obligation to take the needs of Union Bank of California or the owners of the MLCDs into consideration in determining, composing or calculating Dow Jones Industrial Average. Dow Jones, CME and their respective affiliates are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the MLCDs to be sold or in the determination or calculation of the equation by which the MLCDs are to be converted into cash. Dow Jones, CME and their respective affiliates have no obligation or liability in connection with the administration, marketing or trading of the MLCDs. Notwithstanding the foregoing, CME Group Inc. and its affiliates may independently issue and/or sponsor financial products unrelated to the MLCDs currently being issued Union Bank of California, but which may be similar to and competitive with the MLCDs. In addition, CME Group Inc. and its affiliates may trade financial products which are linked to the performance of the Dow Jones Industrial Average<sup>SM</sup>. It is possible that this trading activity will affect the value of Dow Jones Industrial Average<sup>SM</sup> and MLCDs.*

**DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES INDUSTRIAL AVERAGE OR ANY DATA INCLUDED THEREIN AND DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY UNION BANK OF CALIFORNIA, OWNERS OF THE MLCDs, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES INDUSTRIAL AVERAGE OR ANY DATA INCLUDED THEREIN. DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DOW JONES INDUSTRIAL AVERAGE OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES, CME OR THEIR RESPECTIVE AFFILIATES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN CME AND UNION BANK OF CALIFORNIA, OTHER THAN THE LICENSORS OF CME.**

## 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 MLCDs are "long-term MLCDs."

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

- 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 3.94% 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 MLCDs. This tax accrual table is based upon a hypothetical projected payment schedule per \$1,000 principal amount of the MLCDs, which would consist of a single payment of \$1,310.44 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 MLCDs, 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 MLCDs During the Accrual Period <sup>(1)</sup>	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	10.07	10.07
January 1, 2011 to December 31, 2011	1010.07	39.80	49.87
January 1, 2012 to December 31, 2012	1049.87	41.36	91.23
January 1, 2013 to December 31, 2013	1091.23	42.99	134.22
January 1, 2014 to December 31, 2014	1134.22	44.69	178.91
January 1, 2015 to December 31, 2015	1178.91	46.45	225.36
January 1, 2016 to December 31, 2016	1225.36	48.28	273.64
January 1, 2017 to September 25, 2017	1273.64	36.80	310.44

(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 = \$1,310.44 per \$1,000 principal amount of MLCDs.

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