ROYAL BANK OF CANADA
Form FWP
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The information in this preliminary terms supplement is not complete and may be changed.

Preliminary Terms Supplement Subject to Completion: Dated October 31, 2017 Pricing Supplement Dated November __, 2017 to the Product Prospectus Supplement ERN-EI-1 Dated January 12, 2016, Prospectus Supplement Dated January 8, 2016, and Prospectus Dated January 8, 2016	$ __________ Barrier Booster Notes Linked to the EURO STOXX 50® Index, Due December 2, 2020 Royal Bank of Canada

Royal Bank of Canada is offering the Barrier Booster Notes (the "Notes") linked to the performance of the EURO STOXX 50® Index (the "Reference Asset").

The CUSIP number for the Notes is 78013GLC7. If the Final Level is greater than the Initial Level but the Percentage Change does not exceed the Booster Percentage of [29.00% - 34.00%] (to be determined on the Pricing Date), the Notes provide a fixed return equal to the Principal Amount plus the Booster Coupon. If the Final Level is greater than the Initial Level and the Percentage Change exceeds the Booster Percentage of [29.00% - 34.00%] (to be determined on the Pricing Date), the Notes provide a one-for-one positive return based upon the increase in the level of the Reference Asset. If the Final Level is less than the Barrier Level (70.00% of the Initial Level), you will receive an amount at maturity that is proportionate to the decrease in the Reference Asset over the term of the Notes, and you may lose up to 100% of your initial investment. Any payments on the Notes are subject to our credit risk.

Booster Coupon:	[29.00% - 34.00%] (to be determined on the Pricing Date).
Issue Date:	November 30, 2017
Maturity Date:	December 2, 2020

The Notes do not pay interest. The Notes will not be listed on any securities exchange.

Investing in the Notes involves a number of risks. See "Risk Factors" beginning on page S-1 of the prospectus supplement dated January 8, 2016, "Additional Risk Factors Specific to the Notes" beginning on page PS-4 of the product prospectus supplement dated January 12, 2016, and "Selected Risk Considerations" beginning on page P-6 of this terms supplement.

The Notes will not constitute deposits insured by the Canada Deposit Insurance Corporation, the U.S. Federal Deposit Insurance Corporation or any other Canadian or U.S. government agency or instrumentality.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined that this terms supplement is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Total

Price to public[1]	100.00%	$
Underwriting discounts and commissions[1]	0.25%	$
Proceeds to Royal Bank of Canada	99.75%	$

[1] Certain dealers who purchase the Notes for sale to certain fee-based advisory accounts may forego some or all of their underwriting discount or selling concessions. The public offering price for investors purchasing the Notes in these accounts may be between $997.25 and $1,000 per $1,000 in principal amount.

The initial estimated value of the Notes as of the date of this terms supplement is $975.14 per $1,000 in principal amount, which is less than the price to public. The final pricing supplement relating to the Notes will set forth our estimate of the initial value of the Notes as of the Pricing Date, which will not be less than $955.14 per $1,000 in principal amount. The actual value of the Notes at any time will reflect many factors, cannot be predicted with accuracy, and may be less than this amount. We describe our determination of the initial estimated value in more detail below.

If the Notes priced on the date of this terms supplement, RBC Capital Markets, LLC, which we refer to as RBCCM, acting as agent for Royal Bank of Canada, would receive a commission of approximately $2.50 per $1,000 in principal amount of the Notes and would use a portion of that commission to allow selling concessions to other dealers of up to approximately $2.50 per $1,000 in principal amount of the Notes. The other dealers may forgo, in their sole discretion, some or all of their selling concessions. See “Supplemental Plan of Distribution (Conflicts of Interest)” below.

We may use this terms supplement in the initial sale of the Notes. In addition, RBCCM or another of our affiliates may use this terms supplement in a market-making transaction in the Notes after their initial sale. Unless we or our agent informs the purchaser otherwise in the confirmation of sale, this terms supplement is being used in a market-making transaction.

RBC Capital Markets, LLC

Barrier Booster Notes
Linked to the EURO STOXX 50® Index,
Due December 2, 2020

SUMMARY

The information in this "Summary" section is qualified by the more detailed information set forth in this terms supplement, the product prospectus supplement, the prospectus supplement, and the prospectus.

Issuer:	Royal Bank of Canada ("Royal Bank")
Issue:	Senior Global Medium-Term Notes, Series G
Underwriter:	RBC Capital Markets, LLC ("RBCCM")
Reference Asset:	EURO STOXX 50® Index
Bloomberg Ticker:	SX5E
Currency:	U.S. Dollars
Minimum Investment:	$1,000 and minimum denominations of $1,000 in excess thereof
Pricing Date:	November 27, 2017
Issue Date:	November 30, 2017
CUSIP:	78013GLC7
Valuation Date:	November 27, 2020
Payment at Maturity (if held to maturity):	If, on the Valuation Date, the Percentage Change is positive, but does not exceed the Booster Percentage, then the investor will receive an amount equal to the principal amount plus the Booster Coupon. If, on the Valuation Date, the Percentage Change is greater than the Booster Percentage, then the investor will receive an amount equal to:
	Principal Amount + (Principal Amount x Percentage Change) If, on the Valuation Date, the Percentage Change is less than or equal to 0%, but not by more than the Barrier Percentage (that is, the Percentage Change is between zero and -30.00%), then the investor will receive the principal amount only. If, on the Valuation Date, the Percentage Change is negative, by more than the Barrier Percentage (that is, the Percentage Change is between -30.01% and -100%), then the investor will receive a cash payment equal to: Principal Amount + (Principal Amount x Percentage Change) In this case, you will lose all or a portion of the principal amount of the Notes.
Percentage Change:	The Percentage Change, expressed as a percentage, is calculated using the following formula:
Initial Level:	The closing level of the Reference Asset on the Pricing Date.
Final Level:	The closing level of the Reference Asset on the Valuation Date.
Booster Percentage:	[29.00% - 34.00%] (to be determined on the Pricing Date).

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Booster Coupon:	[29.00% - 34.00%] of the principal amount (to be determined on the Pricing Date)
Barrier Percentage:	30.00%
Barrier Level:	70.00% of the Initial Level
Maturity Date:	December 2, 2020, subject to extension for market and other disruptions, as described in the product prospectus supplement dated January 12, 2016.
Term:	Approximately three (3) years
Principal at Risk:	The Notes are NOT principal protected. You may lose all or a substantial portion of your principal amount at maturity if there is a percentage decrease from the Initial Level to the Final Level of more than 30.00%.
Calculation Agent:	RBCCM
U.S. Tax Treatment:	By purchasing a Note, each holder agrees (in the absence of a change in law, an administrative determination or a judicial ruling to the contrary) to treat the Note as a pre-paid cash-settled derivative contract for U.S. federal income tax purposes. However, the U.S. federal income tax consequences of your investment in the Notes are uncertain and the Internal Revenue Service could assert that the Notes should be taxed in a manner that is different from that described in the preceding sentence. Please see the discussion (including the opinion of our counsel Morrison & Foerster LLP) in the product prospectus supplement dated January 12, 2016 under “Supplemental Discussion of U.S. Federal Income Tax Consequences,” and the discussion below under “Supplemental Discussion of U.S. Federal Income Tax Consequences,” which apply to the Notes.
Secondary Market:	RBCCM (or one of its affiliates), though not obligated to do so, plans to maintain a secondary market in the Notes after the Issue Date. The amount that you may receive upon sale of your Notes prior to maturity may be less than the principal amount of your Notes.
Listing:	The Notes will not be listed on any securities exchange.
Clearance and Settlement:	DTC global (including through its indirect participants Euroclear and Clearstream, Luxembourg as described under “Description of Debt Securities—Ownership and Book-Entry Issuance” in the prospectus dated January 8, 2016).
Terms Incorporated in the Master Note:	All of the terms appearing above the item captioned “Secondary Market” on pages P-2 and P-3 of this terms supplement and the terms appearing under the caption “General Terms of the Notes” in the product prospectus supplement dated January 12, 2016, as modified by this terms supplement.

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ADDITIONAL TERMS OF YOUR NOTES

You should read this terms supplement together with the prospectus dated January 8, 2016, as supplemented by the prospectus supplement dated January 8, 2016 and the product prospectus supplement dated January 12, 2016, relating to our Senior Global Medium-Term Notes, Series G, of which these Notes are a part. Capitalized terms used but not defined in this terms supplement will have the meanings given to them in the product prospectus supplement. In the event of any conflict, this terms supplement will control. The Notes vary from the terms described in the product prospectus supplement in several important ways. You should read this terms supplement carefully.

This terms supplement, together with the documents listed below, contains the terms of the Notes and supersedes all prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in "Risk Factors" in the prospectus supplement dated January 8, 2016 and "Additional Risk Factors Specific to the Notes" in the product prospectus supplement dated January 12, 2016, 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. You may access these documents on the Securities and Exchange Commission (the "SEC") website at www.sec.gov as follows (or if that address has changed, by reviewing our filings for the relevant date on the SEC website):

Prospectus dated January 8, 2016:
http://www.sec.gov/Archives/edgar/data/1000275/000121465916008810/j18160424b3.htm
Prospectus Supplement dated January 8, 2016:
http://www.sec.gov/Archives/edgar/data/1000275/000121465916008811/p14150424b3.htm
Product Prospectus Supplement ERN-EI-1 dated January 12, 2016:
https://www.sec.gov/Archives/edgar/data/1000275/000114036116047560/form424b5.htm

Our Central Index Key, or CIK, on the SEC website is 1000275. As used in this terms supplement, "we," "us," or "our" refers to Royal Bank of Canada.

Royal Bank of Canada has filed a registration statement (including a product prospectus supplement, a prospectus supplement, and a prospectus) with the SEC for the offering to which this terms supplement relates. Before you invest, you should read those documents and the other documents relating to this offering that we have filed with the SEC for more complete information about us and this offering. You may obtain these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, Royal Bank of Canada, any agent or any dealer participating in this offering will arrange to send you the product prospectus supplement, the prospectus supplement and the prospectus if you so request by calling toll-free at 1-877-688-2301.

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HYPOTHETICAL RETURNS

The examples set out below are included for illustration purposes only. The hypothetical Percentage Changes of the Reference Asset used to illustrate the calculation of the Payment at Maturity (rounded to two decimal places) are not estimates or forecasts of the Initial Level, the Final Level or the level of the Reference Asset on any trading day prior to the Maturity Date. All examples assume that a holder purchased Notes with an aggregate principal amount of $1,000, a Barrier Percentage of 30.00% (the Barrier Level is 70.00% of the Initial Level), a Booster Percentage of 31.50% (the midpoint of the Booster Percentage range of 29.00% to 34.00%), a Booster Coupon of 40.65% of the principal amount (the midpoint of the Booster Coupon range of 29.00% to 34.00%% of the principal amount), and that no market disruption event occurs on the Valuation Date.

Example 1— Calculation of the Payment at Maturity where the Percentage Change is positive, but less than the Booster Percentage.

Percentage Change: 5%

Payment at Maturity: $1,000 + ($1,000 x 31.50%) = $1,000 + $315.00 = $1,315.00

On a $1,000 investment, a 5% Percentage Change results in a Payment at Maturity of $1,315.00, a 31.50% return on the Notes.

Example 2— Calculation of the Payment at Maturity where the Percentage Change is positive and exceeds the Booster Percentage.

Percentage Change: 65%

Payment at Maturity: $1,000 + ($1,000 x 65%) = $1,000 + $650 = $1,650

On a $1,000 investment, a 65% Percentage Change results in a Payment at Maturity of $1,650, a 65.00% return on the Notes.

Example 3— Calculation of the Payment at Maturity where the Percentage Change is negative (but not by more than the Barrier Percentage).

Percentage Change:	-10%
Payment at Maturity:	At maturity, if the Percentage Change is negative BUT not by more than the Barrier Percentage, then the Payment at Maturity will equal the principal amount.

On a $1,000 investment, a -10.00% Percentage Change results in a Payment at Maturity of $1,000, a 0% return on the Notes.

Example 4— Calculation of the Payment at Maturity where the Percentage Change is negative (by more than the Barrier Percentage).

Percentage Change: -35%

Payment at Maturity: $1,000 + ($1,000 x -35%) = $1,000 - $350.00 = $650.00

On a $1,000 investment, a -35% Percentage Change results in a Payment at Maturity of $650.00,
a -35% return on the Notes.

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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 section "Additional Risk Factors Specific to the Notes," beginning on page PS-4 of the product prospectus supplement. In addition to the risks described in the prospectus supplement and the product prospectus supplement, you should consider the following:

- Principal at Risk – Investors in the Notes could lose all or a substantial portion of their principal amount if the level of the Reference Asset declines by more the Barrier Percentage. You will lose one percent of the principal amount of your Notes for each 1% that the Final Level is less than the Initial Level if the Final Level is less than the Barrier Level (70% of the Initial Level).
- The Notes Do Not Pay Interest and Your Return May Be Lower than the Return on a Conventional Debt Security of Comparable Maturity – There will be no periodic interest payments on the Notes as there would be on a conventional fixed-rate or floating-rate debt security having the same maturity. The return that you will receive on the Notes, which could be negative, may be less than the return you could earn on other investments. Your return may be less than the return you would earn if you bought a conventional senior interest bearing debt security of Royal Bank.
- Payments on the Notes Are Subject to Our Credit Risk, and Changes in Our Credit Ratings Are Expected to Affect the Market Value of the Notes – The Notes are Royal Bank's senior unsecured debt securities. As a result, your receipt of the amount due on the maturity date is dependent upon Royal Bank's ability to repay its obligations at that time. This will be the case even if the level of the Reference Asset increases after the Pricing Date. No assurance can be given as to what our financial condition will be at the maturity of the Notes.
- There May Not Be an Active Trading Market for the Notes—Sales in the Secondary Market May Result in Significant Losses – There may be little or no secondary market for the Notes. The Notes will not be listed on any securities exchange. RBCCM and other affiliates of Royal Bank may make a market for the Notes; however, they are not required to do so. RBCCM or any other affiliate of Royal Bank may stop any market-making activities at any time. Even if a secondary market for the Notes develops, it may not provide significant liquidity or trade at prices advantageous to you. We expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for your Notes in any secondary market could be substantial.
- You Will Not Have Any Rights to the Securities Included in the Reference Asset – As a holder of the Notes, you will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of securities included in the Reference Asset would have. The Final Level will not reflect any dividends paid on the securities included in the Reference Asset, and accordingly, any positive return on the Notes may be less than the potential positive return on those securities.
- The Initial Estimated Value of the Notes Will Be Less than the Price to the Public – The initial estimated value set forth on the cover page and that will be set forth in the final pricing supplement for the Notes does not represent a minimum price at which we, RBCCM or any of our affiliates would be willing to purchase the Notes in any secondary market (if any exists) at any time. If you attempt to sell the Notes prior to maturity, their market value may be lower than the price you paid for them and the initial estimated value. This is due to, among other things, changes in the level of the Reference Asset, the borrowing rate we pay to issue securities of this kind, and the inclusion in the price to the public of the underwriting discount and the estimated costs relating to our hedging of the Notes. These factors, together with various credit, market and economic factors over the term of the Notes, are expected to reduce the price at which you may be able to sell the Notes in any secondary market and will affect the value of the Notes in complex and unpredictable ways. Assuming no change in market conditions or any other relevant factors, the price, if any, at which you may be able to sell your Notes prior to maturity may be less than your original purchase price, as

any such sale price would not be expected to include the underwriting discount and the hedging costs relating to the Notes. In addition to bid-ask spreads, the value of the Notes determined for any secondary market price is expected to be based on the secondary rate rather than the internal funding rate used to price the Notes and determine the initial estimated value. As a result, the secondary price will be less than if the internal funding rate was used. The Notes are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your Notes to maturity.

- The Initial Estimated Value of the Notes on the Cover Page and that We Will Provide in the Final Pricing Supplement Are Estimates Only, Calculated as of the Time the Terms of the Notes Are Set –The initial estimated value of the Notes will be based on the value of our obligation to make the payments on the Notes, together with the mid-market value of the derivative embedded in the terms of the Notes. See “Structuring the Notes” below. Our estimates are based on a variety of assumptions, including our credit spreads, expectations as to dividends, interest rates and volatility, and the expected term of the Notes. These assumptions are based on certain forecasts about future events, which may prove to be incorrect. Other entities may value the Notes or similar securities at a price that is significantly different than we do.

The value of the Notes at any time after the Pricing Date will vary based on many factors, including changes in market conditions, and cannot be predicted with accuracy. As a result, the actual value you would receive if you sold the Notes in any secondary market, if any, should be expected to differ materially from the initial estimated value of your Notes.

- An Investment in the Notes Is Subject to Risks Relating to Non-U.S. Securities Markets - Because foreign companies or foreign equity securities included in the Reference Asset are publicly traded in the applicable foreign countries and are denominated in currencies other than U.S. dollars, an investment in the securities involves particular risks. For example, the non-U.S. securities markets may be more volatile than the U.S. securities markets, and market developments may affect these markets differently from the U.S. or other securities markets. Direct or indirect government intervention to stabilize the securities markets outside the U.S., as well as cross-shareholdings in certain companies, may affect trading prices and trading volumes in those markets. Also, the public availability of information concerning the foreign issuers may vary depending on their home jurisdiction and the reporting requirements imposed by their respective regulators. In addition, the foreign issuers may be subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies.

The securities included in the Reference Asset are issued by companies located within the Eurozone, which is and has been undergoing severe financial stress, and the political, legal and regulatory ramifications are impossible to predict. Changes within the Eurozone could have a material adverse effect on the performance of the Reference Asset and, consequently, on the value of the Notes.

- Market Disruption Events and Adjustments – The payment at maturity and the Valuation Date are subject to adjustment as described in the product prospectus supplement. For a description of what constitutes a market disruption event as well as the consequences of that market disruption event, see “General Terms of the Notes—Market Disruption Events” in the product prospectus supplement.

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INFORMATION REGARDING THE REFERENCE ASSET

All disclosures contained in this terms supplement regarding the Reference Asset, including, without limitation, its make up, method of calculation, and changes in its components, have been derived from publicly available sources. The information reflects the policies of, and is subject to change by, STOXX Limited, as the sponsor of the Reference Asset ("STOXX"). STOXX, which owns the copyright and all other rights to the Reference Asset, has no obligation to continue to publish, and may discontinue publication of, the Reference Asset. The consequences of STOXX discontinuing publication of the Reference Asset are discussed in the section of the product prospectus supplement entitled "General Terms of the Notes—Unavailability of the Level of the Reference Asset on a Valuation Date." Neither we nor RBCCM accepts any responsibility for the calculation, maintenance or publication of the Reference Asset or any successor index.

The Reference Asset was created by STOXX Limited, a subsidiary of Deutsche Börse AG. Publication of the Reference Asset began in February 1998, based on an initial index level of 1,000 at December 31, 1991.

Composition and Maintenance

The Reference Asset is composed of 50 component stocks of market sector leaders from within the 19 EURO STOXX® Supersector indices, which represent the Eurozone portion of the STOXX Europe 600® Supersector indices. The composition of the Reference Asset is reviewed annually, based on the closing stock data on the last trading day in August. The component stocks are announced on the first trading day in September. Changes to the component stocks are implemented on the third Friday in September and are effective the following trading day. Changes in the composition of the Reference Asset are made to ensure that the Reference Asset includes the 50 market sector leaders from within the Reference Asset.

The free float factors for each component stock used to calculate the Reference Asset, as described below, are reviewed, calculated, and implemented on a quarterly basis and are fixed until the next quarterly review.

The Reference Asset is also reviewed on an ongoing monthly basis. Corporate actions (including initial public offerings, mergers and takeovers, spin-offs, delistings, and bankruptcy) that affect the Reference Asset composition are announced immediately, implemented two trading days later and become effective on the next trading day after implementation.

Calculation of the Reference Asset

The Reference Asset is calculated with the "Laspeyres formula," which measures the aggregate price changes in the component stocks against a fixed base quantity weight. The formula for calculating the Reference Asset value can be expressed as follows:

$$\text{Reference Asset} = \frac{\text{Free float market capitalization of the Reference Asset}}{\text{Divisor}}$$

The "free float market capitalization of the Reference Asset" is equal to the sum of the products of the price, the number of shares, the free float factor and the weighting cap factor for each component stock as of the time the Reference Asset is being calculated.

The Reference Asset is also subject to a divisor, which is adjusted to maintain the continuity of the Reference Asset values across changes due to corporate actions, such as the deletion and addition of stocks, the substitution of stocks, stock dividends, and stock splits.

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License Agreement

We have entered into a non-exclusive license agreement with STOXX providing for the license to us and certain of our affiliated or subsidiary companies, in exchange for a fee, of the right to use indices owned and published by STOXX (including the Reference Asset) in connection with certain securities, including the Notes offered hereby.

The license agreement between us and STOXX requires that the following language be stated in this document:

STOXX has no relationship to us, other than the licensing of the Reference Asset and the related trademarks for use in connection with the Notes. STOXX does not:

- sponsor, endorse, sell, or promote the Notes;
- recommend that any person invest in the Notes offered hereby or any other securities;
- have any responsibility or liability for or make any decisions about the timing, amount, or pricing of the Notes;
- have any responsibility or liability for the administration, management, or marketing of the Notes; or
- consider the needs of the Notes or the holders of the Notes in determining, composing, or calculating the Reference Asset, or have any obligation to do so.

STOXX will not have any liability in connection with the Notes. Specifically:

- STOXX does not make any warranty, express or implied, and disclaims any and all warranty concerning:
- the results to be obtained by the Notes, the holders of the Notes or any other person in connection with the use of the Reference Asset and the data included in the Reference Asset;
- the accuracy or completeness of the Reference Asset and its data;
- the merchantability and the fitness for a particular purpose or use of the Reference Asset and its data;
- STOXX will have no liability for any errors, omissions, or interruptions in the Reference Asset or its data; and
- Under no circumstances will STOXX be liable for any lost profits or indirect, punitive, special, or consequential damages or losses, even if STOXX knows that they might occur.

The licensing agreement between us and STOXX is solely for their benefit and our benefit, and not for the benefit of the holders of the Notes or any other third parties.

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Historical Information

The graph below sets forth the information relating to the historical performance of the Reference Asset. In addition, below the graph is a table setting forth the intra-day high, intra-day low and period-end closing levels of the Reference Asset. The information provided in this table is for the four calendar quarters of 2013, 2014, 2015, 2016, the first three calendar quarters of 2017, and for the period from October 1, 2017 through October 27, 2017.

We obtained the information regarding the historical performance of the Reference Asset in the chart below from Bloomberg Financial Markets.

We have not independently verified the accuracy or completeness of the information obtained from Bloomberg Financial Markets. The historical performance of the Reference Asset should not be taken as an indication of its future performance, and no assurance can be given as to the Final Level of the Reference Asset. We cannot give you assurance that the performance of the Reference Asset will result in any positive return on your initial investment.

EURO STOXX 50® Index ("SX5E")

Period Start Date	Period End Date	High Intra-Day Level	Low Intra-Day Level	Period-End Closing Level
1/1/2013	3/31/2013	2,754.80	2,563.64	2,624.02
4/1/2013	6/30/2013	2,851.48	2,494.54	2,602.59
7/1/2013	9/30/2013	2,955.47	2,539.15	2,893.15
10/1/2013	12/31/2013	3,116.23	2,891.39	3,109.00
1/1/2014	3/31/2014	3,185.68	2,944.13	3,161.60
4/1/2014	6/30/2014	3,325.50	3,083.43	3,228.24
7/1/2014	9/30/2014	3,301.15	2,977.52	3,225.93
10/1/2014	12/31/2014	3,278.97	2,789.63	3,146.43
1/1/2015	3/31/2015	3,742.42	2,998.53	3,697.38
4/1/2015	6/30/2015	3,836.28	3,374.18	3,424.30
7/1/2015	9/30/2015	3,714.26	2,973.16	3,100.67
10/1/2015	12/31/2015	3,524.04	3,036.17	3,267.52
1/1/2016	3/31/2016	3,266.01	2,672.73	3,004.93
4/1/2016	6/30/2016	3,156.86	2,678.27	2,864.74
7/1/2016	9/30/2016	3,101.75	2,742.66	3,002.24
10/1/2016	12/31/2016	3,290.52	2,937.98	3,290.52
1/1/2017	3/31/2017	3,500.93	3,214.31	3,500.93
4/1/2017	6/30/2017	3,666.80	3,407.33	3,441.88
7/1/2017	9/29/2017	3,594.85	3,363.68	3,594.85
10/1/2017	10/27/2017	3,670.00	3,580.21	3,652.23

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

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SUPPLEMENTAL DISCUSSION OF U.S. FEDERAL INCOME TAX CONSEQUENCES

The following disclosure supplements, and to the extent inconsistent supersedes, the discussion in the product prospectus supplement dated January 12, 2016 under "Supplemental Discussion of U.S. Federal Income Tax Consequences."

Under Section 871(m) of the Code, a "dividend equivalent" payment is treated as a dividend from sources within the United States. 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, the IRS has issued guidance that states that the U.S. Treasury Department and the IRS intend to amend the effective dates of the U.S. Treasury Department regulations to provide 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, 2019. Based on our 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 (for example, upon a Reference Asset rebalancing), 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 withholding agent) would be entitled to withhold taxes without being required to pay any additional amounts with respect to amounts so withheld.

SUPPLEMENTAL PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

We expect that delivery of the Notes will be made against payment for the Notes on or about November 30, 2017, which is the third (3rd) business day following the Pricing Date (this settlement cycle being referred to as "T+3"). See "Plan of Distribution" in the prospectus dated January 8, 2016. For additional information as to the relationship between us and RBCCM, please see the section "Plan of Distribution - Conflicts of Interest" in the prospectus dated January 8, 2016.

In the initial offering of the notes, they will be offered to investors at a purchase price equal to par, except with respect to certain accounts as indicated on the cover page of this document.

We expect to deliver the Notes on a date that is greater than two business days following the trade date. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes more than two business days priorors are interrelated in complex ways. As a result, the effect of any one factor may be offset or magnified by the effect of another factor. The following factors, which are beyond our control, may influence the market value of your notes:

- *Prices of the basket components*. We expect that the market value of the notes at any given time will likely depend substantially on the changes in the prices of the basket components. If you choose to sell the notes when the prices of the basket components have decreased, you may receive less than the amount you originally invested. The price of a basket component will be influenced by its business risks and financial results and by complex and interrelated political, economic, financial and other factors that can affect the equity markets on which shares of the basket component are traded.

- *Volatility of the basket components*. Volatility is the term used to describe the size and frequency of market fluctuations. If the volatility of a basket component changes or is expected to change, the market value of the notes may change.

- *Interest rates*. The interactions of interest rates and the equity markets are unpredictable. Investors in the notes must make their own determinations as to how the possible future effects of changes in interest rates will affect the basket components and the notes, as well as the overall United States economy.

- *Time premium or discount*. As a result of a "time premium or discount," the notes may trade at a value above or below that which would be expected based on the level of interest rates and the prices of the basket components the longer the time remaining to maturity. A "time premium or discount" results from expectations concerning the prices of the basket components prior to the maturity of the notes. However, as the time remaining to maturity decreases, this time premium or discount may diminish, thereby increasing or decreasing the market value of the notes.

In addition, economic, financial, political, military, regulatory, legal and other events that affect the applicable equity markets may affect the value of the notes.

In addition, your notes may trade quite differently from the basket components. Changes in the prices of the basket components may not result in comparable changes in the market value of your notes. Even if the prices of the basket components increase during the term of the notes, the market value of the notes prior to maturity may not increase to the same extent. It is also possible for the market value of the notes prior to maturity to decrease while the prices of the basket components increase. If you sell your notes prior to maturity, you may receive less than the principal amount of your notes.

Non-U.S. Investors May Be Subject to Certain Additional Risks

The notes will be denominated in U.S. dollars. If you are a non-U.S. investor who purchases the notes with a currency other than U.S. dollars, changes in rates of exchange may have an adverse effect on the value or price of, or income on, your investment.

The accompanying prospectus, the accompanying product prospectus supplement and this pricing supplement contain a general description of certain U.S. tax considerations relating to the notes under "*United States Taxation*" in the accompanying prospectus and under "*Supplemental Discussion of U.S. Federal Income Tax Consequences*" in the accompanying product prospectus supplement and in this pricing supplement. If you are a non-U.S. investor, you should consult your tax advisors as to the consequences, under the tax laws of the country where you are resident for tax purposes, of acquiring, holding and disposing of the notes and receiving payments of principal or other amounts under the notes.

The Tax Consequences of an Investment in the Notes Are Uncertain

Significant aspects of the tax treatment of the notes are uncertain, both as to the timing and character of any inclusion in income in respect of your notes. We do not plan to request a ruling from the Internal Revenue Service ("IRS") regarding the tax treatment of the notes, and the IRS or a court may not agree with the tax treatment described in this pricing supplement. Please read carefully the discussion under *"Supplemental Discussion of U.S. Federal Income Tax Consequences"* below, the section *"United States Taxation"* in the accompanying prospectus, and the section *"Supplemental Discussion of U.S. Federal Income Tax Consequences"* in the accompanying product prospectus supplement. You should consult your tax advisor about your own tax situation.

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In 2007, the IRS released a notice that may affect the taxation of holders of the notes. According to the notice, the IRS and the Treasury Department are actively considering, among other things, whether holders of instruments such as the notes should be required to accrue ordinary income on a current basis, whether gain or loss recognized upon the sale, exchange or maturity of such instruments should be treated as ordinary or capital, whether foreign holders of such instruments should be subject to withholding tax, and whether the special “constructive ownership rules” of Section 1260 of the Internal Revenue Code of 1986, as amended, should be applied to such instruments. Similarly, the IRS and the Treasury Department have current projects open with regard to the tax treatment of pre-paid forward contracts and contingent notional principal contracts. While it is impossible to anticipate how any ultimate guidance would affect the tax treatment of instruments such as the notes (and while any such guidance may be issued on a prospective basis only), such guidance could be applied retroactively and could, in any case, increase the likelihood that you will be required to accrue income over the term of an instrument such as the notes even though you will not receive any payments with respect to the notes until maturity or earlier sale or exchange. The outcome of this process is uncertain. You should consult your tax advisor as to the possible alternative treatments in respect of the notes.

Furthermore, in 2007, legislation was introduced in Congress that, if enacted, would have required holders of the notes purchased after the bill was enacted to accrue interest income over the term of the notes despite the fact that there will be no interest payments over the term of the notes. It is not possible to predict whether a similar or identical bill will be enacted in the future and whether any such bill would affect the tax treatment of your notes.

Holders are urged to consult their tax advisors concerning the significance and the potential impact of the above considerations. Except to the extent otherwise required by law, we intend to treat your notes for U.S. federal income tax purposes in accordance with the treatment described under *“Supplemental Discussion of U.S. Federal Income Tax Consequences”* on page PS-39 unless and until there is a change in law or the Treasury Department and IRS determine that some other treatment is more appropriate.

Certain Considerations for Insurance Companies and Employee Benefit Plans

Any insurance company or fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transaction rules of the Employee Retirement Income Security Act of 1974, as amended, which we call “ERISA,” or the Internal Revenue Code of 1986, as amended, including an IRA or a Keogh plan (or a governmental plan to which similar prohibitions apply), and that is considering purchasing the notes with the assets of the insurance company or the assets of such a plan, should consult with its counsel regarding whether the purchase or holding of the notes could become a “prohibited transaction” under ERISA, the Internal Revenue Code or any substantially similar prohibition in light of the representations a purchaser or holder in any of the above categories is deemed to make by purchasing and holding the notes. This is discussed in more detail under “*Employee Retirement Income Security Act*” below.

HYPOTHETICAL EXAMPLES OF CASH SETTLEMENT AMOUNTS

The examples set forth below are included for illustrative purposes only. The hypothetical final values used to illustrate the calculation of the hypothetical cash settlement amounts at maturity are neither estimates nor forecasts of the final value, the reference asset value at any other time during the term of the notes or the trading prices or closing prices of any basket component at any time. The hypothetical values shown below have been chosen arbitrarily and are not associated with Nomura Research forecasts and should not be taken as indicative of the final value, the future reference asset value at any other time or the future trading prices or closing prices of any basket component. The actual market value of the notes on the maturity date or at any other time, including any time you may wish to sell the notes, may bear little relation to the hypothetical cash settlement amounts shown below, and these amounts should not be viewed as an indication of the financial return on an investment in the notes.

The following examples represent hypothetical cash settlement amounts for each $1,000 in principal amount of the notes based on a range of hypothetical final values (expressed as a percentage of the initial value of the reference asset). The following examples assume no occurrence of the participation trigger prior to the final valuation date, and reflect an initial value of the reference asset of $1,000, a participation rate of 200%, a maximum cash settlement amount of $2,200 and a minimum cash settlement amount of $200 where the participation trigger has not occurred. The following examples also assume that the notes are purchased on the original issue date and held to the maturity date, that there have been no dilution events or changes in or affecting any basket component that would result in any adjustment to any basket component multiplier, and that no market disruption events have occurred.

If the reference asset value is less than 55% of the initial value on any trading day during the participation trigger monitoring period, you would lose your entire investment in the notes regardless of the final value.

In addition, the following examples do not take into account the effects of applicable taxes. Because of the U.S. tax treatment applicable to your notes, tax liabilities could affect the after-tax rate of return on your notes to a comparatively greater extent than the after-tax return on the reference asset.

Hypothetical Final Value (Expressed as a Percentage of the Initial Value of the Reference Asset)	**Cash Settlement Amount at Maturity per $1,000 Principal Amount**
200.00%	$2,200.00
190.00%	$2,200.00
180.00%	$2,200.00
170.00%	$2,200.00
160.00%	$2,200.00
150.00%	$2,000.00

140.00%	$1,800.00
130.00%	$1,600.00
120.00%	$1,400.00
110.00%	$1,200.00
100.00%	$1,000.00
90.00%	$800.00
80.00%	$600.00
70.00%	$400.00
60.00%	$200.00
55.00%	$200.00
54.00%	$0.00
50.00%	$0.00
40.00%	$0.00
30.00%	$0.00
20.00%	$0.00
10.00%	$0.00
0.00%	$0.00

We cannot predict the actual final value or the actual reference asset value at any other time during the term of the notes or what the market value of your notes will be on any particular trading day; nor can we predict the relationship between the reference asset value and the market value of your notes at any time prior to the maturity date. The actual cash settlement amount, if any, that you will receive at maturity and the rate of return on the notes will depend on whether the participation trigger occurs and the actual final value. Moreover, the assumptions on which the hypothetical examples are based may turn out to be inaccurate. Consequently, the amount of cash, if any, to be paid in respect of the notes on the maturity date may be very different from the information reflected in the table above.

DESCRIPTION OF YOUR NOTES

General

The notes are fully and unconditionally guaranteed by Nomura and are therefore senior unsecured debt obligations of Nomura. We are not a bank, and the notes will not constitute deposits insured by the U.S. Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

The notes will be issued only in global form through DTC (including through its indirect participants Euroclear and Clearstream, as described under "*Legal Ownership and Book-Entry Issuance—Global Security*" in the accompanying prospectus).

Interest

The notes will not bear any interest.

Stated Maturity Date

The stated maturity date is October 21, 2019, unless that date is not a business day, in which case the maturity date will be the next following business day. The actual maturity date for the notes may be different if adjusted as described under "*—Final Valuation Date; Effect of Market Disruption Events; Adjusted Maturity Date*" below in this pricing supplement and "*General Terms of the Notes—Market Disruption Events*" in the accompanying product prospectus supplement.

Payment at Maturity

The cash settlement amount you will receive on the maturity date (subject to postponement as described below) will depend on whether the participation trigger has occurred and the reference asset performance. The cash settlement amount that will be paid for each $1,000 principal amount of the notes on the maturity date will be:

- if the participation trigger has not occurred, an amount in cash equal to $1,000 *plus* the product of (a) the reference asset performance on the final valuation date *times* (b) a participation rate of 200% *times* (c) $1,000, subject to a minimum cash settlement amount of $200 and a maximum cash settlement amount of $2,200, or
- if the participation trigger has occurred, $0.

If the participation trigger has occurred, the cash settlement amount payable on your notes on the maturity date will be $0 regardless of the final value.

The initial value of the reference asset is $1,000, which is equal to the sum of the initial value of each basket component *times* the initial basket component multiplier for such basket component. The initial value of each basket component is determined based on the trading prices of the basket component with respect to a period of 10 trading days ending on October 12, 2015, as set forth under "*The Reference Asset*" in this pricing supplement. The provisions under "*General Terms of the Notes—Anti-Dilution Adjustments*" in the accompanying product prospectus supplement shall not apply to the notes and the initial value will not be subject to adjustment under those provisions.

The reference asset performance on the final valuation date will be equal to (i) the final value *divided by* the initial value *minus* (ii) 1. For purposes of determining whether the participation trigger has occurred, the reference asset performance on any trading day will be equal to (i) the applicable reference asset value on such trading day *divided by* the initial value *minus* (ii) 1.

The reference asset value on any trading day will equal the sum of (i) the closing price of each basket component on such trading day *multiplied by* (ii) the applicable basket component multiplier for such basket component then in effect.

The final value will equal the sum of (i) the volume weighted average price of each basket component with respect to the VWAP Period of 5 trading days ending on the final valuation date *multiplied by* (ii) the applicable basket component multiplier for such basket component in effect on the final valuation date.

The participation trigger will be deemed to have occurred if the reference asset value is less than 55% of the initial value (i.e., if the reference asset performance is less than -45%) on any trading day during the participation trigger monitoring period.

The basket component multiplier for each basket component is determined by the initial value of the basket component, its target weight in the basket and the initial value of the reference asset. The basket component multipliers are subject to adjustment, as described under "*Description of Your Notes—Adjustments*" in this pricing supplement.

The participation trigger monitoring period is the period from (and including) the trade date to (and including) the final valuation date. The monitoring type is closing value monitoring, as described under "*General Terms of the Notes—Monitoring*" in the accompanying product prospectus supplement.

The volume weighted average price of a basket component, with respect to a VWAP Period, is the average of the Daily VWAPs of such basket component for each trading day during such VWAP Period.

A “VWAP Period” means, in the case of the final value, a period of 5 trading days ending on the final valuation date.

“Daily VWAP” of a basket component for any trading day means the per share volume-weighted average price of such basket component, as reported on the relevant Bloomberg “<equity> AQR” page (or its equivalent successor if such page is not available) corresponding to such basket component, from the scheduled open of trading until the scheduled close of trading of the primary trading session of the applicable reference asset market for such basket component on such trading day (determined without regard to after-hours trading or any other trading outside of the regular trading session trading hours), as determined by the calculation agent.

U.S. Tax Characterization

In the absence of a statutory, regulatory, administrative or judicial ruling to the contrary, we and the holders agree to characterize and treat the notes as a pre-paid derivative contract with respect to the reference asset.

Final Valuation Date; Effect of Market Disruption Events; Adjusted Maturity Date

The final valuation date is October 16, 2019. If, on that date, the calculation agent determines that a market disruption event with respect to a basket component occurs or is continuing on a day that would otherwise be the final valuation date or that such day is not a trading day, the trading price or closing price, as applicable, of the basket component on the final valuation date will be the trading price or closing price, as applicable, of the basket component on the first following trading day on which the calculation agent determines that no market disruption event with respect to the basket component occurs or is continuing. In no event, however, will the final valuation date be postponed by more than eight scheduled trading days.

If the final valuation date is postponed to the last possible day, and the calculation agent determines that a market disruption event occurs or is continuing on such last possible day, or that such day is not a trading day, such day will nevertheless be the final valuation date, and the trading price or closing price, as applicable, of the basket component will be determined (or, if not determinable, estimated by the calculation agent in a manner which it, in its sole discretion, considers commercially reasonable under the circumstances) by the calculation agent on that eighth scheduled trading day, regardless of the occurrence or continuation of a market disruption event on that day. In such an event, the calculation agent will make a commercially reasonable estimate in its sole discretion of the trading price or closing price, as applicable, of the basket component that would have prevailed in the absence of the market disruption event or non-trading day.

In the event that the final valuation date is postponed as described above, the maturity date will also be postponed such that the maturity date is three scheduled trading days following the postponed final valuation date, unless that date is not a business day, in which case the maturity date will be the next following business day. In such a case, you may not receive the cash settlement amount, if any, that we are obligated to deliver on the maturity date until several days after the originally scheduled stated maturity date, and you will not receive any additional payment in respect of such period from the scheduled maturity date to the date of payment.

Postponement of any date as a result of a market disruption event with respect to one basket component will not, of itself, result in the postponement of such date for the remaining unaffected basket components. In addition, a market disruption event with respect to one or more basket components will not, by itself, constitute a market disruption event for the remaining unaffected basket components.

For a description of market disruption events, please see "*General Terms of the Notes—Market Disruption Events—Reference Assets Consisting of an Equity Security*" in the accompanying product prospectus supplement.

Adjustments

Anti-Dilution Adjustments

Each basket component multiplier is subject to adjustment by the calculation agent as a result of the dilution and reorganization events described in this section. The provisions under "*General Terms of the Notes—Anti-Dilution Adjustments*" in the accompanying product prospectus supplement shall not apply to the notes and the initial value of the reference asset will not be subject to adjustment under those provisions.

The adjustments described below do not cover all events that could affect a basket component and, consequently, the value of your notes, such as a tender or exchange offer by a basket component issuer for the basket component at a premium to its market price or a tender or exchange offer made by a third party for less than all outstanding shares of a basket component. We describe the risks relating to dilution under "*Additional Risk Factors Specific to Your Notes—You Will Have Limited Anti-Dilution Protection*" above.

How Adjustments Will Be Made

If one of the events described below occurs and the calculation agent determines that the event has a dilutive or concentrative effect on the theoretical value of a basket component, the calculation agent will calculate such corresponding adjustment or series of adjustments to the basket component multiplier as the calculation agent determines appropriate to account for that dilutive or concentrative effect. For example, if an adjustment is required because of a two-for-one stock split, then the basket component multiplier will be doubled. The calculation agent will also determine the effective date(s) of any adjustment or series of adjustments it chooses to make and the replacement of the basket component, if applicable, in the event of a consolidation or merger of the basket component issuer with another entity. Upon making any such adjustment, the calculation agent will give notice as soon as practicable to the trustee, stating the corresponding adjustments to the basket component multiplier.

If more than one event requiring an adjustment occurs, the calculation agent will make an adjustment for each event in the order in which the events occur and on a cumulative basis. Thus, the calculation agent will adjust the basket component multiplier for the first event, then adjust the adjusted basket component multiplier for the second event, and so on for any subsequent events.

No such adjustments will be made unless such adjustments, in the aggregate, would result in a change of at least 0.1% to the basket component multiplier then in effect.

The calculation agent will make all determinations with respect to anti-dilution adjustments, including any determination as to whether an event requiring adjustments has occurred (including whether an event has a dilutive or concentrative effect on the theoretical value of the basket component), as to the nature of the adjustments required and how they will be made or as to the value of any property distributed in a reorganization event with respect to those notes.

The following events are those that may require anti-dilution adjustments in the calculation agent’s sole discretion:

- a subdivision, consolidation or reclassification of a basket component or a free distribution or dividend of shares of a basket component to existing holders of the basket component by way of a bonus, capitalization or similar issue;
- a distribution or dividend to existing holders of a basket component of:
- additional shares of the basket component as described under “—*Stock Dividends*” below,
- other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the basket component issuer equally or proportionately with such payments to holders of the basket component, or
- any other type of securities, rights or warrants in any case that permit the holder thereof to subscribe for or purchase any asset or property (including the basket component) at less than the prevailing closing price as determined by the

calculation agent in its sole discretion;

- the declaration by a basket component issuer of an extraordinary or special dividend or other distribution, whether in cash or additional shares of the basket component or other assets;
- a repurchase by a basket component issuer of its equity, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- a consolidation of a basket component issuer with another company or merger of a basket component issuer with another company; and
- any other similar event that may have a dilutive or concentrative effect on the theoretical value of a basket component.

Stock Splits and Reverse Stock Splits

A stock split is an increase in the number of a corporation's outstanding shares of stock without any change in its stockholders' equity. Each outstanding share is worth less as a result of a stock split. A reverse stock split is a decrease in the number of a corporation's outstanding shares of stock without any change in its stockholders' equity. Each outstanding share is worth more as a result of a reverse stock split.

If a basket component is subject to a stock split or a reverse stock split, then the basket component multiplier will be adjusted by multiplying the prior multiplier by the number of shares that a holder of one share of the basket component before the effective date of that stock split or reverse stock split, as applicable, would have owned immediately following the applicable effective date.

Stock Dividends

In a stock dividend, a corporation issues additional shares of its stock to all holders of its outstanding stock in proportion to the shares they own. Each outstanding share is worth less as a result of a stock dividend.

If a basket component is subject to a stock dividend payable in shares of the basket component, then the basket component multiplier will be adjusted by multiplying the prior basket component multiplier by the *sum* of one *plus* the number of additional shares issued in the stock dividend with respect to one share of the basket component.

Other Dividends and Distributions

The basket component multiplier will not be adjusted to reflect dividends or other distributions paid with respect to the basket component, other than:

- stock dividends described under "—*Stock Dividends*" above;
- issuances of transferable rights and warrants as described under "—*Transferable Rights and Warrants*" below;
- distributions that are spin-off events described under "—*Reorganization Events*" below;

- extraordinary cash dividends as described below; and
- ordinary cash dividends as described under "—*Ordinary Cash Dividend Adjustments*" below.

A dividend or other distribution with respect to a basket component will be deemed to be an extraordinary dividend if its per share value exceeds that of the immediately preceding non-extraordinary dividend, if any, for the basket component by an amount equal to at least 10% of the closing price of the basket component on the trading day before the ex-dividend date. Accordingly, it is not expected that anti-dilution adjustments will be made to the basket component multiplier in the case of stock dividends payable in shares of a basket component that are in lieu of ordinary cash dividends payable with respect to shares of the basket component. The ex-dividend date for any dividend or other distribution is the first day on which the basket component trades without the right to receive that dividend or distribution.

If an extraordinary dividend, as described above, occurs with respect to a basket component and is payable in cash, then the basket component multiplier will be adjusted by multiplying the prior basket component multiplier by the ratio of the closing price of the basket component on the trading day before the ex-dividend date to the amount by which that closing price exceeds the extraordinary cash dividend amount.

The extraordinary cash dividend amount with respect to an extraordinary dividend for a basket component equals:

- for an extraordinary cash dividend that is paid in lieu of a regular quarterly dividend, the amount of the extraordinary cash dividend per share of the basket component *minus* the amount per share of the basket component of the immediately preceding dividend, if any, that was not an extraordinary dividend for the basket component; or

- for an extraordinary cash dividend that is not paid in lieu of a regular quarterly dividend, the amount per share of the extraordinary cash dividend.

To the extent an extraordinary dividend is not paid in cash, the value of the non-cash component will be determined by the calculation agent. A distribution payable to the holders of a basket component that is both an extraordinary dividend and payable in the basket component, or an issuance of rights or warrants with respect to a basket component that is also an extraordinary dividend, will result in adjustments to the basket component multiplier for the basket component, as described under "—*Stock Dividends*" above or "—*Transferable Rights and Warrants*" below, as the case may be, and not as described here.

Transferable Rights and Warrants

If a basket component issuer issues transferable rights or warrants to all holders of the basket component to subscribe for or purchase any asset or property (including the basket component) at an exercise price per share that is less than the closing price of such basket component on the trading day before the ex-dividend date for such issuance, then the basket component multiplier will be adjusted by multiplying the prior basket component multiplier by the ratio of:

- the number of shares of the basket component outstanding at the close of business on the business day before that ex-dividend date *plus* the number of additional shares of the basket component offered for subscription or purchase under those transferable rights or warrants, to

- the number of shares of the basket component outstanding at the close of business on the business day before that ex-dividend date *plus* (1) the total number of additional shares of the basket component offered for subscription or purchase under the transferable rights or warrants *times* (2) the exercise price of those transferable rights or warrants *divided by* the closing price on the business day before that ex-dividend date.

Reorganization Events

Each of the following may be determined by the calculation agent to be a “reorganization event”:

- a basket component is reclassified or changed;

- a basket component issuer has been subject to a merger, consolidation or other combination and either is not the surviving entity or is the surviving entity but all outstanding shares of the basket component are exchanged for or converted into other property;

- a statutory share exchange involving outstanding shares of a basket component and the securities of another entity occurs, other than as part of an event described above;

- a basket component issuer sells or otherwise transfers its property and assets as an entirety or substantially as an entirety to another entity;

- a basket component issuer effects a spin-off, that is, issues to all holders of the basket component equity securities of another issuer, other than as part of an event described above; or

- a basket component issuer is liquidated, dissolved or wound up or is subject to a proceeding under any applicable bankruptcy, insolvency or other similar law, or another entity completes a tender or exchange offer for all the

outstanding shares of the basket component.

In this pricing supplement, references to the calculation agent adjusting the basket component multiplier in respect of a dilution event or a reorganization event mean that the calculation agent may adjust the basket component multiplier in the manner described in this section. If a reorganization event occurs, the distribution property (which may include securities issued by a non-U.S. company and quoted and traded in a foreign currency) distributed in, or as a result of, the event will be substituted for the basket component as described below. Consequently, in this pricing supplement, references to a basket component, where applicable, mean any distribution property that is distributed in a reorganization event and comprises the adjusted basket component. Similarly, references to a basket component issuer include any surviving or successor entity in a reorganization event affecting that issuer.

If a reorganization event occurs, then the determination of the trading price or closing price of a basket component on any day (including the final valuation date) for all purposes will be made by the calculation agent based upon the amount, type and value of property or properties, if any—whether cash, securities, other property or a combination thereof—that a hypothetical prior holder of the basket component would have been entitled to receive in, or as a result of, the reorganization event. We refer to this new property as the “distribution property.” Distribution property may consist of securities issued by a non-U.S. company and quoted and traded in a foreign currency. Accordingly, in such circumstances, the cash settlement amount, if any, you will be paid at maturity will be based upon the value of such distribution property, if any, as determined by the calculation agent. No interest will accrue on any distribution property.

For the purpose of making an adjustment required by a reorganization event, the calculation agent will determine the value of each type of distribution property, if any. For any distribution property consisting of a security (including a security issued by a non-U.S. company or quoted and traded in a foreign currency), the calculation agent will use the closing price of the security on the relevant date. The calculation agent may value other types of property in any manner it determines to be appropriate. If a holder of the basket component may elect to receive different types or combinations of types of distribution property in the reorganization event, the distribution property will consist of the types and amounts of each type distributed to a holder of the basket component that makes no election, as determined by the calculation agent.

If a reorganization event occurs with respect to a basket component and the calculation agent adjusts the basket component to consist of the distribution property in the event as described above (with corresponding adjustments to the basket component multiplier), the calculation agent will make further anti-dilution adjustments for any later events that affect the distribution property, or any component of the distribution property, constituting the new basket component (with corresponding adjustments to the basket component multiplier). The calculation agent will do so to the same extent that it would make adjustments if the basket component was outstanding and was affected by the same kinds of events. If a subsequent reorganization event affects only a particular component of the basket component, the required adjustment will be made with respect to that component, as if it alone were the value of the basket component (with corresponding adjustments to the basket component multiplier).

For example, if a basket component issuer merges into another company and each share of common stock that is the basket component is converted into the right to receive two common shares of the surviving company and a specified amount of cash, the value of the basket component will be adjusted to reflect the value of the two common shares of the surviving company and the specified amount of cash. Corresponding adjustments will be made to the basket component multiplier. The calculation agent will adjust the common share component of the new value of the basket component to reflect any later stock split or other event, including any later reorganization event, that affects the common shares of the surviving company, to the extent described in this section, as if the common shares were issued by the basket component issuer (with corresponding adjustments to the basket component multiplier). In that event, the cash component will not be adjusted but will continue to be a component of the value of the basket component (with no interest adjustment).

The calculation agent will be solely responsible for determination and calculation of the distribution property, if any, if a reorganization event occurs and any amounts due upon maturity of the notes, including the determination of the cash value of any distribution property.

If the distribution property consists of one or more securities issued by a non-U.S. company and quoted and traded in a foreign currency (the “non-U.S. securities”), then for all purposes, including the determination of the value of the distribution property (which may be affected by the closing price of the non-U.S. securities) at any time, the closing price of such non-U.S. securities will be converted to U.S. dollars as of the relevant date using the applicable exchange rate as described below.

On any date, the applicable exchange rate will be the WM/Reuters Closing spot rate of the local currency of such securities relative to the U.S. dollar as published by Thomson Reuters PLC (“Reuters”) on the relevant page for such rate, or Bloomberg page WMCO, in each case at approximately 4:00 P.M., New York City time, for such date. However, if such rate is not displayed on the relevant Reuters page or Bloomberg page WMCO on any date, the applicable exchange rate on such day will be equal to the average (mean) of the bid quotations in New York City solicited and received by the calculation agent at approximately 4:00 P.M., New York City time, on such date, from as many recognized foreign exchange dealers (provided that each such dealer commits to execute a contract at its applicable bid quotation), but not exceeding three, as will make such bid quotations available to the calculation agent for the purchase of the applicable foreign currency for U.S. dollars for settlement on the final valuation date in the aggregate amount of the applicable foreign currency payable to holders of the notes. If the calculation agent is unable to obtain at least one such bid quotation, the calculation agent will determine the exchange rate.

Each time the calculation agent adjusts a basket component in connection with a reorganization event as described above, the calculation agent will also make corresponding adjustments to the basket component multiplier to offset any change in your economic position as a holder of the notes that results from such an event.

Once the basket component has been adjusted as described above, the calculation agent will make such adjustments as, in the judgment of the calculation agent, may be necessary in order to arrive at a basket comparable to the original basket (including, without limitation, changing the component weights of the basket components and the basket component multiplier for each basket component), and will calculate the trading price or closing price, as applicable, and the reference asset performance on any day (including the final valuation date) or the final value, based on the adjusted basket.

Ordinary Cash Dividend Adjustments

The basket component multiplier for a basket component will be adjusted to account for any cash dividends (other than extraordinary cash dividends as described under "*—Anti-Dilution Adjustments*" above) paid by the corresponding basket component issuer to holders of such basket component during the period from (but excluding) the trade date to (and including) the final valuation date as follows: such basket component multiplier in effect immediately on and after the ex-dividend date will equal such basket component multiplier in effect immediately prior to the ex-dividend date *multiplied by* (i) the sum of (a) the closing price of such basket component on the trading day immediately preceding the ex-dividend date for such cash dividend *plus* (b) 95.3054% of the gross amount of such cash dividend per share of such basket component *divided by* (ii) the closing price of such basket component on the trading day immediately preceding the ex-dividend date for such cash dividend.

The calculation agent will make all determinations with respect to dividend-related adjustments. Absent manifest error, all determinations of the calculation agent will be final and binding on you and us, without any liability on the part of the calculation agent.

Modification of a Basket Component or Unavailability of the Price of a Basket Component

The following provisions under this subsection shall apply to the notes, in lieu of the provisions under "*General Terms of the Notes—Modification of the Reference Asset or Unavailability of the Price or Level of the Reference Asset*" in the accompanying product prospectus supplement.

Basket Components Consisting of Shares of a Common Stock

If shares of a common stock that are a basket component (such common stock, an "original common stock") are delisted or trading of such shares is suspended on the primary exchange for such shares other than as a result of a reorganization event as described under *"—Anti-Dilution Adjustments—Reorganization Events"* above, and such shares are immediately re-listed or approved for trading on a successor exchange which is a national securities exchange, then shares of such original common stock will continue to be deemed the basket component.

If shares of an original common stock are delisted or trading of such shares is suspended on the primary exchange for such shares, and such shares are not immediately re-listed or approved for trading on a successor exchange which is a national securities exchange, then the calculation agent may, but is not required to, select a substitute common stock. A "substitute common stock" will be the common stock, which is listed or approved for trading on a major U.S. exchange or market, of a company that (i) satisfies all regulatory standards applicable to equity-linked securities at the time of such selection, (ii) is not subject to a hedging restriction and (iii) is the most comparable to the issuer of the original common stock as determined by the calculation agent based upon various criteria including but not limited to market capitalization, stock price volatility and dividend yield (the "substitute selection criteria"). A company is subject to a "hedging restriction" if we or any of our affiliates are subject to a trading restriction under our or any of our affiliates' trading restriction policies that would materially limit our or any of our affiliates' ability to hedge the notes with respect to the common stock or ADSs of such company. Shares of the substitute common stock will be deemed to be the basket component and the calculation agent will determine the trading price or closing price, as applicable, of the basket component on any date by reference to shares of the substitute common stock and adjust the basket component multiplier for such situation.

If a substitute common stock is a security issued by a non-U.S. company, to the extent that a cash settlement amount is due at maturity, we will pay the cash settlement amount in U.S. dollars. On any date, the applicable exchange rate will be the WM/Reuters Closing spot rate of the local currency of the shares of such substitute common stock relative to the U.S. dollar as published by Reuters on the relevant page for such rate, or Bloomberg page WMCO, in each case at approximately 4:00 P.M., New York City time, for such date. However, if such rate is not displayed on the relevant Reuters page or Bloomberg page WMCO on any date, the applicable exchange rate on such day will be equal to the average (mean) of the bid quotations in New York City solicited and received by the calculation agent at approximately 4:00 P.M., New York City time, on such date, from as many recognized foreign exchange dealers (provided that each such dealer commits to execute a contract at its applicable bid quotation), but not exceeding three, as will make such bid quotations available to the calculation agent for the purchase of the applicable foreign currency for U.S. dollars for settlement on the final valuation date in the aggregate amount of the applicable foreign currency payable to holders of the notes. If the calculation agent is unable to obtain at least one such bid quotation, the calculation agent will determine the exchange rate.

If shares of an original common stock are delisted or trading of such shares is suspended and the calculation agent determines that no substitute common stock comparable to the original common stock exists, or if a substitute common stock selected by the calculation agent is subsequently delisted or trading in such substitute common stock is subsequently suspended and the calculation

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agent determines that no additional substitute common stock comparable to such substitute common stock exists, then the calculation agent will deem the closing price of shares of such original common stock or such substitute common stock, as the case may be, on the trading day immediately prior to the delisting or suspension to be the trading price or closing price, as applicable, of the applicable basket component on every remaining trading day to, and including, the final valuation date.

Following any such substitution or adjustments, the calculation agent will make such calculations and adjustments as, in the judgment of the calculation agent, may be necessary in order to arrive at a basket comparable to the original basket (including, without limitation, changing the component weights of the basket components and the basket component multiplier for each basket component), and will calculate the trading price or closing price, as applicable, and the reference asset performance on any day (including the final valuation date) or the final value, with reference to that successor basket (as described below), as adjusted.

In this event, the calculation agent will provide written notice to the trustee of these calculations and adjustments, and the trustee will furnish written notice thereof, to the extent the trustee is required to under the indenture, to each noteholder, or in the case of global notes, the depositary, as holder of the global notes.

In the event of the adjustment described above, the newly composed basket is referred to in this section as the "successor basket" and will be used as a substitute for the original basket for all purposes.

THE REFERENCE ASSET

The reference asset is a basket of stocks consisting of shares of common stock (or Class A common stock in the case of Blackstone) of the following ten business development companies (each a "BDC") or real estate investment trusts (each a "REIT"), as the case may be: Apollo Commercial Real Estate Finance, Inc., a REIT ("Apollo Commercial"), Apollo Investment Corporation, a BDC ("Apollo Investment"), Ares Capital Corporation, a BDC ("Ares Capital"), Ares Commercial Real Estate Corporation, a REIT ("Ares Commercial"), BlackRock Capital Investment Corporation, a BDC ("BlackRock"), Blackstone Mortgage Trust, Inc., a REIT ("Blackstone"), FS Investment Corporation, a BDC ("FS Investment"), Hercules Technology Growth Capital, Inc., a BDC ("Hercules"), Starwood Property Trust, Inc., a REIT ("Starwood"), and TPG Specialty Lending, Inc., a BDC ("TPG Lending").

The table below indicates the ticker symbol for each basket component, the primary securities market on which shares of each basket component are listed, the proportion of the initial value of the reference asset represented by the shares of each basket component, the initial value of each basket component and the initial basket component multiplier for each basket component.

Basket Component Issuer	Ticker Symbol	Reference Asset Market	Initial Weighting	Initial Value	Initial Basket Component Multiplier
Apollo Commercial Real Estate Finance, Inc.	ARI	NYSE	10.00%	16.08943	6.215
Apollo Investment Corporation	AINV	NASDAQ	10.00%	5.66529	17.651
Ares Capital Corporation	ARCC	NASDAQ	18.00%	15.08073	11.936
Ares Commercial Real Estate Corporation	ACRE	NYSE	7.00%	12.17070	5.752
BlackRock Capital Investment Corporation	BKCC	NASDAQ	11.00%	9.01107	12.207
Blackstone Mortgage Trust, Inc. (Class A Common Stock)	BXMT	NYSE	5.00%	28.13763	1.777
FS Investment Corporation	FSIC	NYSE	15.00%	9.63466	15.569
Hercules Technology Growth Capital, Inc.	HTGC	NYSE	5.00%	10.35981	4.826
Starwood Property Trust, Inc.	STWD	NYSE	14.00%	20.95197	6.682
TPG Specialty Lending, Inc.	TSLX	NYSE	5.00%	16.91300	2.956

The Basket Component Issuers

Apollo Commercial

According to its publicly available documents, Apollo Commercial is a REIT that primarily originates, acquires, invests in and manages performing commercial first mortgage loans, subordinate financings, commercial mortgage-backed securities and other commercial real estate-related debt investments. Apollo Commercial is subject to the informational requirements of the Exchange Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Apollo Commercial can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. Apollo Commercial's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by Apollo Commercial under the Exchange Act can be located by referencing its SEC file number 001-34452. In addition, information about Apollo Commercial may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Apollo Investment

According to its publicly available documents, Apollo Investment is a closed-end, externally managed, non-diversified management investment company that has elected to be treated as a BDC under the Investment Company Act of 1940 (the "1940 Act"). Apollo Investment is subject to the informational requirements of the Exchange Act and the 1940 Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Apollo Investment can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. Apollo Investment's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by Apollo Investment under the Exchange Act can be located by referencing its SEC file number 814-00646. In addition, information about Apollo Investment may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Ares Capital

According to its publicly available documents, Ares Capital is a specialty finance company that is a closed-end, non-diversified management investment company that has elected to be regulated as a BDC under the 1940 Act. Ares Capital is subject to the informational requirements of the Exchange Act and the 1940 Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Ares Capital can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. Ares Capital's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by Ares Capital under the Exchange Act can be located by referencing its SEC file number 814-00663. In addition, information about Ares Capital may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Ares Commercial

According to its publicly available documents, Ares Commercial, a REIT, is a specialty finance company that is primarily focused on directly originating, managing and servicing a diversified portfolio of commercial real estate debt-related investments for our own account. Ares Commercial is subject to the informational requirements of the Exchange Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Ares Commercial can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference

Room from the SEC by calling 1-800-SEC-0330. Ares Commercial's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by Ares Commercial under the Exchange Act can be located by referencing its SEC file number 001-35517. In addition, information about Ares Commercial may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

BlackRock

According to its publicly available documents, BlackRock is an externally-managed, non-diversified closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act. BlackRock is subject to the informational requirements of the Exchange Act and the 1940 Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by BlackRock can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. BlackRock's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by BlackRock under the Exchange Act can be located by referencing its SEC file number 814-00712. In addition, information about BlackRock may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Blackstone

According to its publicly available documents, Blackstone, a REIT, is a real estate finance company that originates and purchases senior loans collateralized by properties in North America and Europe. Blackstone is subject to the informational requirements of the Exchange Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Blackstone can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. Blackstone's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by

Blackstone under the Exchange Act can be located by referencing its SEC file number 001-14788. In addition, information about Blackstone may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

FS Investment

According to its publicly available documents, FS Investment is an externally managed, non-diversified, closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act. FS Investment is subject to the informational requirements of the Exchange Act and the 1940 Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by FS Investment can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. FS Investment's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by FS Investment under the Exchange Act can be located by referencing its SEC file number 814-00757. In addition, information about FS Investment may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Hercules

According to its publicly available documents, Hercules is an internally managed, non-diversified closed-end investment company that has elected to be regulated as a BDC under the 1940 Act. Hercules is subject to the informational requirements of the Exchange Act and the 1940 Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Hercules can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. Hercules' reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by Hercules under the Exchange Act can be located by referencing its SEC file number 814-00702. In addition, information about Hercules may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Starwood

According to its publicly available documents, Starwood, a REIT, is focused primarily on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt investments, commercial mortgage-backed securities, and other commercial real estate-related debt investments in both the U.S. and Europe. Starwood is subject to the informational requirements of the Exchange Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by Starwood can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. Starwood's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by Starwood under the Exchange Act can be located by referencing its SEC file number 001-34436. In addition, information about Starwood may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

TPG Lending

According to its publicly available documents, TPG Lending is an externally managed, closed-end, non-diversified management investment company that has elected to be regulated as a BDC under the 1940 Act. TPG Lending is subject to the informational requirements of the Exchange Act and the 1940 Act and, in accordance therewith, files reports and other information with the SEC. Reports and other information filed by TPG Lending can be viewed and printed at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, DC 20549, and the public may obtain information on the Public Reference Room from the SEC by calling 1-800-SEC-0330. TPG Lending's reports and other information are also available electronically on the SEC's website at www.sec.gov. Information filed with the SEC by TPG Lending under the Exchange Act can be located by referencing its SEC file number 001-36364. In addition, information about TPG Lending may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated information. We make no representation or warranty as to the accuracy or completeness of any such information.

Historical Information

The prices of the basket components have fluctuated in the past and may, in the future, experience significant fluctuations. Any historical upward or downward trend in the price of a basket component during any period shown below is not an indication that the price of the basket component is more or less likely to increase or decrease at any time during the term of the notes. You should not take the historical prices of any basket component as an indication of future performance. We cannot give you any assurance that the future performance of any basket component will result in your receiving any cash settlement amount on the notes or that you will not lose your entire investment in the notes. Neither we nor any of our affiliates makes any representation to you as to the performance of any basket component or the reference asset.

The following tables sets forth the published high, low and end of quarter closing prices of each basket component for each calendar quarter from January 1, 2011 (or from the earliest available date) to September 30, 2015, as well as for the period from October 1, 2015 to October 12, 2015. The graphs below show the historical closing prices of each basket component since January 1, 2011 (or since the earliest available date). We obtained the information in the tables and graphs below from Bloomberg without independent verification. The historical prices of the basket components set forth below should not be taken as an indication of future performance. The actual performance of the basket components over the life of the notes, as well as the cash settlement amount payable on the notes, if any, may bear little relation to the historical prices of the basket components shown below.

Quarterly High, Low and Quarter End Closing Prices of Apollo Commercial Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	17.06	16.29	16.35
4/1/2011	6/30/2011	16.47	15.90	16.12
7/1/2011	9/30/2011	16.33	13.17	13.17
10/1/2011	12/31/2011	14.27	12.22	13.13
1/1/2012	3/31/2012	16.17	13.18	15.65
4/1/2012	6/30/2012	16.48	15.43	16.07
7/1/2012	9/30/2012	18.13	16.38	17.34
10/1/2012	12/31/2012	17.51	15.40	16.23
1/1/2013	3/31/2013	17.70	16.84	17.59
4/1/2013	6/30/2013	18.27	15.85	15.88
7/1/2013	9/30/2013	16.35	14.76	15.27
10/1/2013	12/31/2013	16.86	15.29	16.25
1/1/2014	3/31/2014	17.01	16.23	16.63
4/1/2014	6/30/2014	17.12	16.33	16.49
7/1/2014	9/30/2014	16.92	15.71	15.71
10/1/2014	12/31/2014	16.98	15.75	16.36
1/1/2015	3/31/2015	17.67	16.37	17.18
4/12015	6/30/2015	17.56	16.43	16.43
7/1/2015	9/30/2015	17.24	15.63	15.71
10/1/2015	10/12/2015	16.64	15.62	16.64

Quarterly High, Low and Quarter End Closing Prices of Apollo Investment Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	12.40	11.17	12.07
4/1/2011	6/30/2011	12.23	9.71	10.21
7/1/2011	9/30/2011	10.60	7.39	7.52
10/1/2011	12/31/2011	8.55	5.99	6.44
1/1/2012	3/31/2012	8.00	6.67	7.17
4/1/2012	6/30/2012	7.67	6.59	7.67
7/1/2012	9/30/2012	8.30	7.57	7.88
10/1/2012	12/31/2012	8.47	7.29	8.36
1/1/2013	3/31/2013	9.01	8.23	8.36
4/1/2013	6/30/2013	8.87	7.37	7.74
7/1/2013	9/30/2013	8.47	7.77	8.15
10/1/2013	12/31/2013	9.02	8.05	8.48
1/1/2014	3/31/2014	9.15	8.14	8.31
4/1/2014	6/30/2014	8.61	7.89	8.61
7/1/2014	9/30/2014	8.83	8.17	8.17
10/1/2014	12/31/2014	8.36	7.20	7.42
1/1/2015	3/31/2015	7.88	7.10	7.68

4/12015	6/30/2015	8.03	7.07	7.08
7/1/2015	9/30/2015	7.23	5.40	5.48
10/1/2015	10/12/2015	5.89	5.45	5.81

Quarterly High, Low and Quarter End Closing Prices of Ares Capital Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	17.83	16.08	16.95
4/1/2011	6/30/2011	17.71	15.70	16.07
7/1/2011	9/30/2011	16.30	13.07	13.77
10/1/2011	12/31/2011	15.95	13.26	15.45
1/1/2012	3/31/2012	16.70	15.51	16.35
4/1/2012	6/30/2012	16.55	14.67	15.96
7/1/2012	9/30/2012	17.68	16.04	17.14
10/1/2012	12/31/2012	17.74	16.08	17.50
1/1/2013	3/31/2013	18.54	17.66	18.10
4/1/2013	6/30/2013	18.27	16.42	17.20
7/1/2013	9/30/2013	18.12	17.03	17.29
10/1/2013	12/31/2013	18.38	17.06	17.77

1/1/2014	3/31/2014	18.51	17.36	17.62
4/1/2014	6/30/2014	17.86	16.50	17.86
7/1/2014	9/30/2014	17.80	16.12	16.16
10/1/2014	12/31/2014	16.45	14.66	15.61
1/1/2015	3/31/2015	17.60	15.55	17.17
4/12015	6/30/2015	17.30	16.01	16.46
7/1/2015	9/30/2015	16.58	14.06	14.48
10/1/2015	10/12/2015	15.46	14.96	15.30

Quarterly High, Low and Quarter End Closing Prices of Ares Commercial Common Stock,

April 2012-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
4/25/2012	6/30/2012	18.50	16.35	17.48
7/1/2012	9/30/2012	17.62	16.31	17.06
10/1/2012	12/31/2012	17.08	15.60	16.42
1/1/2013	3/31/2013	17.47	16.62	16.92
4/1/2013	6/30/2013	16.98	12.71	12.81
7/1/2013	9/30/2013	13.25	12.19	12.43
10/1/2013	12/31/2013	13.67	12.30	13.10

1/1/2014	3/31/2014	13.89	13.07	13.41
4/1/2014	6/30/2014	13.29	12.29	12.41
7/1/2014	9/30/2014	12.74	11.69	11.69
10/1/2014	12/31/2014	12.21	11.48	11.48
1/1/2015	3/31/2015	12.35	11.05	11.05
4/12015	6/30/2015	11.91	11.02	11.39
7/1/2015	9/30/2015	13.08	11.41	11.99
10/1/2015	10/12/2015	12.43	11.99	12.43

Quarterly High, Low and Quarter End Closing Prices of BlackRock Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	12.75	9.48	10.12
4/1/2011	6/30/2011	10.52	8.95	8.97
7/1/2011	9/30/2011	9.43	7.30	7.30
10/1/2011	12/31/2011	8.95	7.03	8.16
1/1/2012	3/31/2012	10.33	8.43	9.82
4/1/2012	6/30/2012	9.99	9.02	9.76
7/1/2012	9/30/2012	10.54	9.28	9.72

10/1/2012	12/31/2012	10.16	9.32	10.06
1/1/2013	3/31/2013	10.69	9.87	10.00
4/1/2013	6/30/2013	10.21	9.15	9.36
7/1/2013	9/30/2013	10.30	9.48	9.48
10/1/2013	12/31/2013	9.89	9.17	9.33
1/1/2014	3/31/2014	9.64	9.11	9.17
4/1/2014	6/30/2014	9.29	8.39	9.11
7/1/2014	9/30/2014	9.35	8.54	8.54
10/1/2014	12/31/2014	8.99	8.00	8.20
1/1/2015	3/31/2015	9.35	8.02	9.06
4/12015	6/30/2015	9.76	9.07	9.14
7/1/2015	9/30/2015	9.51	8.35	8.86
10/1/2015	10/12/2015	9.23	8.91	9.19

Quarterly High, Low and Quarter End Closing Prices of Blackstone Class A Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	28.20	15.00	22.90
4/1/2011	6/30/2011	51.00	24.60	38.70

7/1/2011	9/30/2011	40.00	21.40	22.30
10/1/2011	12/31/2011	25.50	19.56	22.50
1/1/2012	3/31/2012	41.50	22.80	37.70
4/1/2012	6/30/2012	39.50	26.00	28.80
7/1/2012	9/30/2012	37.70	26.50	37.70
10/1/2012	12/31/2012	38.50	18.20	21.00
1/1/2013	3/31/2013	29.00	18.60	27.30
4/1/2013	6/30/2013	29.00	22.40	24.70
7/1/2013	9/30/2013	26.03	24.18	25.19
10/1/2013	12/31/2013	27.43	24.49	27.13
1/1/2014	3/31/2014	29.45	27.07	28.75
4/1/2014	6/30/2014	29.90	28.05	29.00
7/1/2014	9/30/2014	29.21	27.10	27.10
10/1/2014	12/31/2014	29.65	26.75	29.14
1/1/2015	3/31/2015	29.47	27.85	28.37
4/12015	6/30/2015	31.54	27.82	27.82
7/1/2015	9/30/2015	29.77	27.00	27.44
10/1/2015	10/12/2015	28.90	27.59	28.90

Quarterly High, Low and Quarter End Closing Prices of FS Investment Common Stock,

April 2014-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
4/16/2014	6/30/2014	10.67	10.07	10.65
7/1/2014	9/30/2014	10.77	10.25	10.77
10/1/2014	12/31/2014	10.63	9.85	9.93
1/1/2015	3/31/2015	10.16	9.19	10.14
4/12015	6/30/2015	10.52	9.84	9.84
7/1/2015	9/30/2015	10.36	9.01	9.32
10/1/2015	10/12/2015	9.78	9.65	9.76

Quarterly High, Low and Quarter End Closing Prices of Hercules Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	11.40	10.42	11.00
4/1/2011	6/30/2011	11.36	10.09	10.52
7/1/2011	9/30/2011	10.80	8.51	8.52
10/1/2011	12/31/2011	9.99	8.20	9.44

1/1/2012	3/31/2012	11.26	9.53	11.08
4/1/2012	6/30/2012	11.50	10.21	11.34
7/1/2012	9/30/2012	11.57	10.99	11.01
10/1/2012	12/31/2012	11.18	10.05	11.13
1/1/2013	3/31/2013	12.84	11.22	12.25
4/1/2013	6/30/2013	14.13	11.71	13.94
7/1/2013	9/30/2013	15.46	13.70	15.25
10/1/2013	12/31/2013	17.09	14.89	16.40
1/1/2014	3/31/2014	16.56	14.07	14.07
4/1/2014	6/30/2014	16.16	13.55	16.16
7/1/2014	9/30/2014	16.89	14.44	14.46
10/1/2014	12/31/2014	16.13	13.42	14.88
1/1/2015	3/31/2015	15.60	13.47	13.48
4/12015	6/30/2015	14.06	11.55	11.55
7/1/2015	9/30/2015	12.23	9.99	10.11
10/1/2015	10/12/2015	10.87	10.23	10.53

Quarterly High, Low and Quarter End Closing Prices of Starwood Common Stock,

2011-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
1/1/2011	3/31/2011	18.86	17.29	17.98
4/1/2011	6/30/2011	18.38	16.15	16.54
7/1/2011	9/30/2011	17.10	13.42	13.84
10/1/2011	12/31/2011	15.43	13.22	14.92
1/1/2012	3/31/2012	17.49	14.97	16.95
4/1/2012	6/30/2012	17.18	15.66	17.18
7/1/2012	9/30/2012	19.63	17.45	18.76
10/1/2012	12/31/2012	19.13	17.17	18.51
1/1/2013	3/31/2013	23.00	18.91	22.38
4/1/2013	6/30/2013	23.02	18.81	19.96
7/1/2013	9/30/2013	20.85	19.23	19.33
10/1/2013	12/31/2013	22.71	19.15	22.33
1/1/2014	3/31/2014	24.73	22.34	23.59
4/1/2014	6/30/2014	24.52	22.44	23.77
7/1/2014	9/30/2014	24.04	21.96	21.96
10/1/2014	12/31/2014	24.06	21.78	23.24
1/1/2015	3/31/2015	24.67	23.24	24.30
4/12015	6/30/2015	24.63	21.56	21.57
7/1/2015	9/30/2015	22.70	20.03	20.52
10/1/2015	10/12/2015	21.39	20.60	21.29

Quarterly High, Low and Quarter End Closing Prices of TPG Lending Common Stock,

March 2014-Current

Quarter/Period Start Date	Quarter/Period End Date	High Closing Price	Low Closing Price	Quarter/Period End Closing Price
3/20/2014	3/31/2014	16.70	16.00	16.60
4/1/2014	6/30/2014	23.90	16.60	21.83
7/1/2014	9/30/2014	22.36	16.01	16.01
10/1/2014	12/31/2014	18.00	15.74	16.82
1/1/2015	3/31/2015	18.54	16.34	17.21
4/12015	6/30/2015	18.35	17.00	17.00
7/1/2015	9/30/2015	18.00	16.22	16.43
10/1/2015	10/12/2015	17.63	16.65	17.63

SUPPLEMENTAL DISCUSSION OF U.S. FEDERAL INCOME TAX CONSEQUENCES

This section supplements the discussion under "*United States Taxation*" in the accompanying prospectus and the discussion under "*Supplemental Discussion of U.S. Federal Income Tax Consequences*" in the accompanying product prospectus supplement and is subject to the limitations and exceptions therein.

NO STATUTORY, JUDICIAL OR ADMINISTRATIVE AUTHORITY DIRECTLY DISCUSSES HOW THE NOTES SHOULD BE TREATED FOR U.S. FEDERAL INCOME TAX PURPOSES. AS A RESULT, THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF YOUR INVESTMENT IN THE NOTES ARE UNCERTAIN. ACCORDINGLY, WE URGE YOU TO CONSULT YOUR TAX ADVISOR AS TO THE TAX CONSEQUENCES OF HAVING AGREED TO THE REQUIRED TAX TREATMENT OF YOUR NOTES DESCRIBED BELOW AND AS TO THE APPLICATION OF STATE, LOCAL OR OTHER TAX LAWS TO YOUR INVESTMENT IN YOUR NOTES.

United States Holders

This subsection applies to you only if you are a United States holder (as defined in the accompanying prospectus).

In the opinion of our special tax counsel, Sullivan & Cromwell LLP, it would be reasonable to characterize and treat the notes for all tax purposes as a pre-paid derivative contract with respect to the reference asset and the terms of the notes require you and us—in the absence of a statutory, regulatory, administrative or judicial ruling to the contrary—to so characterize and treat the notes. Except as otherwise stated below, the discussion herein assumes that the notes will be so treated.

Subject to the discussion of Section 1260 below, if the notes are so characterized and treated (and such characterization and treatment is respected by the IRS), you should generally recognize capital gain or loss upon the sale, exchange or maturity of your notes in an amount equal to the difference between the amount you receive at such time and your tax basis in the notes. For this purpose, your notes should be treated as maturing upon the occurrence of the participation trigger, and you should therefore generally recognize a capital loss upon the occurrence of a participation trigger in an amount equal to your tax basis in the notes. In general, your tax basis in your notes will be equal to the price you paid for them. Capital gain of a non-corporate United States holder is generally taxed at preferential rates where the property is held for more than one year. The deductibility of capital losses is subject to limitations.

Although not entirely clear, it is possible that the purchase and ownership of the Notes could be treated as a "constructive ownership transaction" with respect to the basket components, which would be subject to the constructive ownership rules of Section 1260 of the Internal Revenue Code. Because the notes have a return profile that differs substantially from the return profile of the basket components, we believe that Section 1260 likely does not apply to your notes. If your notes were subject to the constructive ownership rules, then any long-term capital gain that you realize upon the sale or maturity of your notes would be recharacterized as ordinary income to the extent that such long-term capital gain exceeds the amount of long-term capital gain that you would have realized had you purchased the actual number of shares of the basket components referenced by your notes on the date that you purchased the notes and sold those shares on the date of the sale or maturity of the notes (the "Excess Gain Amount"), and you would be subject to an interest charge on the deferred tax liability with respect to such Excess Gain Amount. Because the application of the constructive ownership rules is unclear, you are strongly urged to consult your tax advisor with respect to the possible application of the constructive ownership rules to your investment in the notes.

Alternative Treatments. There is no judicial or administrative authority discussing how your notes should be treated for U.S. federal income tax purposes. Therefore, the IRS might assert that treatment other than that described above is more appropriate. For example, the IRS could treat your notes as a single debt instrument subject to special rules governing contingent payment debt instruments. If the notes are so treated, you would be required to accrue interest income over the term of your notes based upon the yield at which we would issue a non-contingent fixed-rate debt instrument with other terms and conditions similar to your notes. You would recognize gain or loss upon the sale, exchange or maturity of your notes in an amount equal to the difference, if any, between the amount you receive at such time and your adjusted tax basis in your notes. In general, your adjusted tax basis in your notes would be equal to the amount you paid for your notes, increased by the amount of interest you previously accrued with respect to your notes. Any gain you recognize upon the sale, exchange or maturity of your notes would be ordinary income and any loss recognized by you at such time would be ordinary loss to the extent of interest you included in income in the current or previous taxable years in respect of your notes, and thereafter would be capital loss.

Because of the absence of authority regarding the appropriate tax characterization of your notes, it is possible that the IRS could seek to characterize your notes in a manner that results in tax consequences to you that are different from those described above. For example, the IRS could possibly assert that (i) any gain or loss that you recognize upon the sale, exchange or maturity of your notes should be treated as ordinary gain or loss, (ii) you should be required to accrue income over the term of the notes, or (iii) (to the extent referenced by your notes) you should be required to include any dividends on the basket components during the term of your notes in ordinary income at the time such dividends are paid or upon the sale or maturity of the notes (even if you are not treated as the owner of the basket components). You should consult your tax advisor as to the tax consequences of such characterizations and any possible alternative characterizations of your notes for U.S. federal income tax purposes.

In 2007, the IRS released a notice that may affect the taxation of holders of the notes. According to the notice, the IRS and the Treasury Department are actively considering, among other things, whether holders of instruments such as the notes should be required to accrue ordinary income on a current basis, whether gain or loss recognized upon the sale, exchange, or maturity of such instruments should be treated as ordinary or capital, whether foreign holders of such instruments should be subject to withholding tax, and whether the special “constructive ownership rules” of Section 1260 of the Internal Revenue Code of 1986, as amended, might be applied to such instruments. Similarly, the IRS and the Treasury Department have current projects open with regard to the tax treatment of pre-paid forward contracts and contingent notional principal contracts. While it is impossible to anticipate how any ultimate guidance would affect the tax treatment of instruments such as the notes (and while any such guidance may be issued on a prospective basis only), such guidance could be applied retroactively and could in any case increase the likelihood that you will be required to accrue income over the term of an instrument such as the notes even though you will not receive any payments with respect to the notes until maturity or earlier sale or exchange You should consult your tax advisor as to the possible alternative treatments in respect of the notes.

Furthermore, in 2007, legislation was introduced in Congress that, if enacted, would have required holders of the notes purchased after the bill was enacted to accrue interest income over the term of the notes despite the fact that there will be no interest payments over the term of the notes. It is not possible to predict whether a similar or identical bill will be enacted in the future and whether any such bill would affect the tax treatment of your notes.

Medicare Tax

A United States holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the United States holder’s “net investment income” (or “undistributed net investment income” in the case of an estate or trust) for the relevant taxable year and (2) the excess of the United States holder’s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between $125,000 and $250,000, depending on the individual’s circumstances). A holder’s net investment income generally includes its interest income and its net gains from the disposition of notes, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a United States holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the notes.

United States Alien Holders

This subsection applies to you only if you are a United States alien holder, as defined in the accompanying prospectus. If you are a United States holder, this subsection does not apply to you.

If you are United States alien holder and the notes are treated for tax purposes as a pre-paid derivative contract with respect to the reference asset, as discussed above, you should not be subject to U.S. withholding tax with respect to payments on your notes.

As discussed above, in 2007, the IRS released a notice that may affect the taxation of United States alien holders of the notes. According to the notice, the IRS and the Treasury Department are actively considering whether, among other issues, United States alien holders of an instrument such as the notes should be subject to withholding tax. If any such withholding tax is imposed pursuant to subsequent guidance, we will withhold tax at the applicable rates and no additional amounts will be paid in respect of the amount so withheld.

Further, and as discussed above, alternative treatments of the notes for U.S. federal income tax purposes are possible. Should an alternative treatment of the notes, by reason of a change or clarification of the law, by regulation or otherwise, cause payments with respect to the notes to become subject to withholding tax, and we are the withholding agent with respect to such payments, we will withhold tax at the applicable statutory rate (or the lower rate under an applicable treaty) and no additional amounts will be paid in respect of the amount so withheld. For example, if the notes are recharacterized as debt, payments on your notes will be subject to withholding tax unless you qualify for the “portfolio interest exemption” and provide appropriate documentation. Prospective United States alien holders of the notes should consult their own tax advisors in this regard.

If you are a United States alien holder, you may be required to file a U.S. tax return and be subject to U.S. taxes on the sale, exchange or maturity of the notes if any of the basket components is or becomes a United States real property holding corporation (“USRPHC”). This filing obligation and tax liability could arise, for instance, if any basket component is treated as a USRPHC. However, you will not be subject to any such filing obligation or tax liability with respect to the portion of your note that relates to a USRPHC unless either (a) shares of such USRPHC are not regularly traded on an established securities market or (b)(i) on the date you acquired the notes, the value of the shares of such USRPHC that is referenced by your note exceeds five percent of the aggregate value of the regularly traded shares of such USRPHC with the lowest value, or (ii) you purchased the notes (or make other similar investments) with a principal purpose of avoiding the 5% limitation described in the regulations under Section 897 of the Code. We will not attempt to ascertain whether any basket component is or becomes a USRPHC. You should refer to information filed with the SEC with respect to the basket components and consult your own tax advisor regarding the possible consequences to you, if any, if any of the basket components is or becomes a USRPHC. If withholding is required, we intend to withhold upon the full amount of any payment you receive (currently 10% of gross proceeds), without regard to the amount of your gain or loss on the notes. No additional amounts will be paid in respect of amounts so withheld.

Backup Withholding and Information Reporting

Notwithstanding that we do not intend to treat the notes as debt for tax purposes, we intend to apply the information reporting and backup withholding rules that are described under "*United States Taxation—Backup Withholding and Information Reporting*" in the accompanying prospectus to any payments made on your notes.

EMPLOYEE RETIREMENT INCOME SECURITY ACT

This section is only relevant to you if you are an insurance company or the fiduciary of a pension plan or an employee benefit plan (including a governmental plan, an IRA or a Keogh Plan) proposing to invest in the notes.

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the U.S. Internal Revenue Code of 1986, as amended (the "Code"), prohibit certain transactions ("prohibited transactions") involving the assets of an employee benefit plan that is subject to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code (including individual retirement accounts, Keogh plans and other plans described in Section 4975(e)(1) of the Code) (a "Plan") and certain persons who are "parties in interest" (within the meaning of ERISA) or "disqualified persons" (within the meaning of the Code) with respect to the Plan; governmental plans may be subject to similar prohibitions unless an exemption applies to the transaction. The assets of a Plan may include assets held in the general account of an insurance company that are deemed "plan assets" under ERISA or assets of certain investment vehicles in which the Plan invests. Each of Nomura and certain of its affiliates may be considered a "party in interest" or a "disqualified person" with respect to many Plans, and, accordingly, prohibited transactions may arise if the notes are acquired by or on behalf of a Plan unless those notes are acquired and held pursuant to an available exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or "PTCEs", that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the notes. These exemptions are PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts), and PTCE 96-23 (for transactions managed by in-house asset managers). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide an exemption for the purchase and sale of the notes, provided that neither Nomura nor any of its subsidiaries or affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction, and provided further that the Plan pays no more and receives no less than "adequate consideration" in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

The person making the decision on behalf of a Plan or a governmental plan shall be deemed, on behalf of itself and the plan, by purchasing and holding the notes, or exercising any rights related thereto, to represent that (a) the plan will receive no less and pay no more than "adequate consideration" (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code) in connection with the purchase and holding of the notes, (b) none of the purchase, holding or disposition of the notes or the exercise of any rights related to the notes will result in a nonexempt prohibited transaction under ERISA or the Code (or, with respect to a governmental plan, under any similar applicable law or regulation), and (c) neither Nomura nor any of its affiliates is a "fiduciary" (within the meaning of Section 3(21) of ERISA) (or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person's acquisition, disposition or holding of the notes, or as a result of any exercise by Nomura or any of its affiliates of any rights in connection with the notes, and no advice provided by Nomura or any of its affiliates has formed a primary basis for any investment decision by or on behalf of such purchaser or holder in connection with the notes and the transactions contemplated with respect to the notes.

If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan (including a governmental plan, an IRA or a Keogh plan), and propose to invest in the notes, you should consult your legal counsel.

SUPPLEMENTAL PLAN OF DISTRIBUTION

We have agreed to sell to Nomura Securities International, Inc. (the “distribution agent”), and the distribution agent has agreed to purchase from us, the aggregate principal amount of the notes specified on the front cover of this pricing supplement. The distribution agent has agreed to purchase the notes from us at 100.00% of the principal amount, resulting in aggregate proceeds to us of $12,850,000. The distribution agent’s commission is equal to 0.00%, or $0 in the aggregate. The distribution agent will offer the notes to which this pricing supplement relates to the public at the public offering price set forth on the front cover of this pricing supplement and to certain dealers at such price less a concession not in excess of 0.00% of the principal amount of the notes. If all of the notes are not sold at the original issue price, the distribution agent may change the offering price and the other selling terms. We estimate that our share of the total offering expenses, excluding underwriting discounts and commissions, will be approximately $15,000.

To the extent the distribution agent resells notes to a broker or dealer less a concession equal to the entire underwriting discount, such broker or dealer may be deemed to be an “underwriter” of the notes as such term is defined in the Securities Act of 1933, as amended. If the distribution agent is unable to sell all the notes at the public offering price, the distribution agent proposes to offer the notes from time to time for sale in negotiated transactions or otherwise, at prices to be determined at the time of sale.

In the future, the distribution agent may repurchase and resell the notes in market-making transactions. For more information about the plan of distribution, the distribution agreement (of which the terms agreement forms a part) and possible market-making activities, see “*Plan of Distribution*” in the accompanying prospectus.

The distribution agent is our affiliate and, as such, has a “conflict of interest” in this offering within the meaning of FINRA Rule 5121. The distribution agent is not permitted to sell notes in this offering to any account over which it exercises discretionary authority without the prior specific written approval of the account holder.

The distribution agent and/or its affiliates have performed, and in the future may provide, investment banking and advisory services for us from time to time for which they have received, and expect to receive, customary fees and commissions. The distribution agent and its affiliates may, from time to time, engage in transactions with, and perform services for, us in the ordinary course of business.

We expect delivery of the notes will be made against payment therefor on or about the original issue date specified above.

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