Risk Disclosure for Foreign Exchange Contracts

OTC FOREIGN EXCHANGE AUTHORIZATION RISK DISCLOSURE STATEMENT

Please note Foreign Exchange ("FX") Transactions may give rise to significant risks and are intended primarily for knowledgeable and sophisticated parties that are willing to accept such risks and able to absorb the losses that may arise. Therefore, it is important the Counterparty and any relevant Principals exercise discretion to understand these risks before entering into any FX Transaction, regardless of the level of prior experience in financial transactions or instruments. Nothing in this disclosure amends or supersedes the express terms of any Foreign Exchange Transaction and the Transactions related governing documents.

This disclosure statement describes the (1) nature of the relationship between Regions and its counterparties; (2) conflicts of interest and material incentives that arise from the relationship; (3) risks generally found in FX Transactions; and (4) additional considerations. The Counterparty should carefully consider its exposure to risks based on its level of experience, objectives, financial and operational resources, and other relevant factors. If the Counterparty is acting as an advisor or agent, all risks should be evaluated in light of the Principal's circumstances and the Counterparty's scope of authority.

Nature of Relationship: Regions acts as a counterparty for its own account. The Counterparty should exercise qualified and independent judgment in evaluating all FX Transaction. Regions does not act as a "municipal advisor" (as defined in Section 15Ba(e)(4)(A) of the Securities Exchange Act), agent, representative, or fiduciary, unless explicitly stated in a legal agreement or associated documents. Regions makes no assurances or guarantees of any FX Transaction. While Regions and its affiliates may engage in business relationships other than in FX Transactions, the nature of the OTC FX transactions relationship shall remain counterparty-only.

Conflicts of Interest and Material Incentives: Regions normal business activities may impact the market price of the Counterparty's FX Transaction. Such activities include facilitating trade for customers, entering into FX Transactions with other counterparties, possessing non-public information (insider trading laws, rules, and regulations make it illegal for Regions to improperly use insider information), acting as a Calculation Agent, and political lobbying. If you were referred to Regions, the entity referring may have received a referral fee from Regions.

Risks Generally Found in FX Transactions: FX Transactions risks include liquidity risk, market risk, funding risk, country risk, transactional risk, operational risk, legal and documentation risk, as well as counterparty and credit risk. Liquidity risk can occur when the local or referenced market is closed for after-hours, holidays, and weekends. Liquidity risk is more likely in restricted and thinly-traded currencies. Market risk stems from the volatility of the both currencies. Transactional risk occurs in errors of communication. Regions confirms trades with their counterparty in an attempt to mitigate this risk.

In a counterparty-only FX Transaction, it is the responsibility of the Counterparty to understand all the risks of the proposed transaction prior to entering into the transaction.

Additional Considerations

NDF and **NDO** settlement payments are determined by the value of the reference currency. There are no assurances the reference currency can be purchased at the same settlement price.

Barrier FX Option value may change non-linearly and abruptly, particularly as the relevant exchange rate approaches the level that triggers the barrier event. Similarly, barrier events may occur unexpectedly. It is important the Counterparty review and understand thoroughly the applicable definition of the barrier event. There are no assurances the Counterparty will be able to execute at the same price or level as the observation that triggers the barrier event. Regions hedges its exposure to all positions, including barrier options. Regions hedging, particularly adjustments close to the barrier event, may have a material impact on the likelihood the barrier event occurs.

Early termination events, whether through the Counterparty's choosing, default of either party, or another such event, may lead to a substantial termination payment representing market prices and costs.

This risk disclosure does not purport to disclose or discuss all of the risks or other material considerations associated with FX Transactions. This disclosure has only generally identified primary sources of risk. The Counterparty should therefore consult with financial, accounting, tax, and legal advisors to the extent necessary prior to entering into any FX Transactions.