UNITED COMMUNITY BANKS INC
Form 424B2
January 12, 2018
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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-203548
Prospectus Supplement
(To Prospectus dated April 21, 2015)

$100,000,000
4.500% Fixed to Floating Rate Subordinated Notes due January 30, 2028

United Community Banks, Inc. is offering $100,000,000 aggregate principal amount of 4.500% Fixed to Floating Rate Subordinated Notes due January 30, 2028 (the “Notes”). From and including January 18, 2018, to, but excluding January 30, 2023, we will pay interest on the Notes semi-annually in arrears on each January 30 and July 30 at a fixed annual interest rate equal to 4.500%. From and including January 30, 2023, to, but excluding the maturity date or earlier redemption date, the interest rate will reset quarterly to an annual interest rate equal to the then-current three-month LIBOR, payable quarterly in arrears on each January 30, April 30, July 30 and October 30 of each year. Notwithstanding the foregoing, if then-current three-month LIBOR is less than zero, three-month LIBOR shall be deemed to be zero plus a spread of 212 basis points.

The Notes will be issued pursuant to an indenture, to be dated as of January 18, 2018, between us and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as supplemented by the first supplemental indenture, to be dated as of January 18, 2018, between us and the Trustee (the “Indenture”).

We may, beginning with the interest payment date of January 30, 2023 and on any interest payment date thereafter, redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to but excluding the date of redemption. The Notes will not otherwise be redeemable by us prior to maturity, unless certain events occur, as described under “Description of the Notes — Redemption” in this prospectus supplement. The Notes will not be convertible or exchangeable.

The Notes will be unsecured subordinated obligations of United Community Banks, Inc. There is no sinking fund for the Notes. The Notes will be subordinated in right of payment to the payment of our existing and future senior indebtedness, including all of our general creditors, and they will be structurally subordinated to all of our subsidiaries' existing and future indebtedness and other obligations. The Notes will not be guaranteed by any of our subsidiaries.

The Notes will not be listed on any securities exchange or made available for quotation on any quotation system. Currently, there is no market for the Notes.

	Per Note	Total
Public offering price(1)	100.00%	$ 100,000,000
Underwriting discounts and commissions	1.50%	$ 1,500,000
Proceeds, before expenses, to us	98.50%	$ 98,500,000

(1)
Plus accrued interest, if any, from the original issue date.

Investing in the Notes involves a high degree of risk. We urge you to carefully read the sections entitled “Risk Factors” beginning on page S-7 of this prospectus supplement and in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, which is incorporated herein by reference.

The Notes are our unsecured obligations. The Notes are not deposits or other obligations of our bank subsidiary and are not insured by the Federal Deposit Insurance Corporation or any other government agency.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representations to the contrary is a criminal offense.

The underwriters expect to deliver the Notes to purchasers in book-entry form through the facilities of The Depository Trust Company (which, along with its successors, we refer to as “DTC”), and its direct participants, against payment therefor in immediately available funds, on or about January 18, 2018.

Morgan Stanley	Sandler O’Neill + Partners, L.P.
Joint Book-Running Manager	Joint Book-Running Manager

Prospectus Supplement dated January 10, 2018

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ABOUT THIS PROSPECTUS SUPPLEMENT

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, or in any pricing supplement or free writing prospectus we may authorize to be delivered to you. We have not authorized anyone to provide you with information that is different from such information. If anyone provides you with different or inconsistent information, you should not rely on it. The information contained in this prospectus supplement and the accompanying prospectus, or any pricing supplement or any free writing prospectus is accurate only as of the date on its cover page regardless of the time of delivery or any sale of the Notes. In case there are differences or inconsistencies between this prospectus supplement and the accompanying prospectus and the information incorporated by reference, you should rely on the information in the document with the latest date.

The distribution of this prospectus supplement and the accompanying prospectus and the issuance of the Notes in certain jurisdictions may be restricted by law. We are issuing the Notes only in jurisdictions where such issuances are permitted. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about, and observe any restrictions relating to, the issuance of the Notes and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, the Notes offered by this prospectus supplement and the accompanying prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

It is important for you to read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. To understand the offering fully and for a more complete description of the offering, you should read this entire document carefully, including particularly the “Risk Factors” section beginning on page S-7 of this prospectus supplement and in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, which is incorporated herein by reference. You also should read and consider the information in the documents to which we have referred you in the sections entitled “Where You Can Find More Information” and “Incorporation of Certain Information by Reference”.

As used in this prospectus supplement and the accompanying prospectus, unless the context requires otherwise, the terms “we,” “us,” “our,” “United” or “the Company” refer to United Community Banks, Inc. and its subsidiaries on a consolidated basis.

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SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus supplement and should be read together with the information contained in other parts of this prospectus supplement and the accompanying prospectus and does not contain all the information you will need to make your investment decision. You should read carefully this entire prospectus supplement, the accompanying prospectus, and the documents incorporated by reference in this prospectus supplement before making your investment decision. This prospectus supplement provides you with a general description of United, the Notes issuable under this prospectus supplement and the offering. The accompanying prospectus, including exhibits to the prospectus, provides additional information about us and the Notes.

The Company

We are the third largest bank holding company headquartered in Georgia. At September 30, 2017, United had total consolidated assets of $11.1 billion, total loans of $7.2 billion, total deposits of $9.13 billion and shareholders' equity of $1.22 billion. These amounts do not take into account our acquisition of Four Oaks Fincorp, Inc., which closed on November 1, 2017. At June 30, 2017, Four Oaks Fincorp, Inc. had total assets of $740 million, loans of $498 million and deposits of $560 million. United conducts substantially all of its operations through its wholly-owned Georgia bank subsidiary, United Community Bank (the "Bank"), which as of the date hereof, operated at 156 offices in Georgia, North Carolina, South Carolina and Tennessee.

Our community banks offer a full range of retail and corporate banking services, including checking, savings and time deposit accounts, secured and unsecured loans, wire transfers, brokerage and other financial services, and are led by local bank presidents and management with significant experience in, and ties to, their communities. Each of the local bank presidents has authority, alone or with other local officers, to make most credit decisions.

We also operate United Community Mortgage Services, a full-service retail mortgage lending operation approved as a seller/servicer for Fannie Mae and the Federal Home Mortgage Corporation, as a division of the Bank. The Bank owns an insurance agency, United Community Insurance Services, Inc., known as United Community Advisory Services. We also own a captive insurance subsidiary, United Community Risk Management Services, Inc., that provides risk management services for our subsidiaries. Another subsidiary of the Bank, United Community Payment Systems, LLC, provides payment processing services for the Bank's commercial and small business customers. Additionally, we provide retail brokerage services through a third-party broker/dealer.

We were incorporated in 1987 as a Georgia corporation. Our principal executive offices are located at 125 Highway 515 East, Blairsville, Georgia 30512, and our telephone number is (706) 781-2265. Our website is https://www.ucbi.com. Information on our website is not incorporated into this prospectus supplement by reference and is not a part hereof.

For a complete description of our business, financial condition, results of operations and other important information, we refer you to our filings with the Securities and Exchange Commission (the "SEC") that are incorporated by reference in this prospectus supplement, including our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2017, June 30, 2017 and September 30, 2017. For instructions on how to find copies of these documents, see "Where You Can Find More Information."

Recent Developments

Pending Acquisition of NLFC Holdings Corp.

On January 8, 2018, we announced that we had reached a definitive agreement to acquire NLFC Holdings Corp. (the "Merger") including its wholly-owned subsidiary, Navitas Credit Corp. ("Navitas"). Based in Ponte Vedra, Florida, Navitas is a nationwide provider of equipment finance products to small and medium-sized businesses. The transaction is consistent with our commitment to grow our specialty and commercial lending business, providing attractive risk-adjusted returns and enabling us to further expand our client offerings.

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As of September 30, 2017, Navitas reported outstanding loans and leases totaling approximately $350 million in the aggregate comprised of a diversified group of business borrowers operating in multiple industries and geographic markets. At September 30, 2017, Navitas serviced over 17,000 finance contracts with a total original value of over $750 million for approximately 14,500 business customers.

Under the terms of the merger agreement, which has been unanimously approved by the Boards of Directors of both companies, NLFC Holdings Corp. stockholders will receive in the aggregate $130,000,000, $84,500,000 of which will be payable in cash and $45,500,000 of which will be payable in shares of our common stock.

The Merger is subject to the approval of the stockholders of NLFC Holdings Corp. and other customary conditions. The Merger is expected to close on February 1, 2018.

Acquisition of Four Oaks Fincorp, Inc. and Four Oaks Bank & Trust Company

On November 1, 2017, we completed our previously announced acquisition of Four Oaks Fincorp, Inc. (“FOFN”) and its wholly-owned bank subsidiary, Four Oaks Bank & Trust Company in exchange for the issuance of approximately 4,192,000 shares of our common stock to the FOFN shareholders. As of June 30, 2017, FOFN had total assets of $740 million, loans of $498 million, deposits of $560 million, total liabilities of $669 million. Four Oaks Bank & Trust Company, which operated 14 banking offices in the Raleigh, North Carolina metropolitan statistical area, will operate under the Four Oaks Bank & Trust Company brand until the system conversions are completed in the second quarter of 2018, at which time it will begin to operate as United Community Bank.

Under the terms of the merger agreement, FOFN shareholders received .6178 shares of United common stock and $1.90 for each share of FOFN common stock, or an aggregate of approximately $126 million based on United’s closing price of $27.42 on October 31, 2017.

Risk Factors

Investing in the Notes involves risks. You should carefully consider the information under “Risk Factors” beginning on page S-7 of this prospectus supplement and under “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as well as all other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

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The Offering

Issuer

United Community Banks, Inc.

Securities Offered

$100,000,000 aggregate principal amount of 4.500% Fixed-to-Floating Rate Subordinated Notes due 2028

Denomination

$1,000 minimum denominations and $1,000 integral multiples thereof.

Public Offering Price

100% of the principal amount, plus accrued interest, if any, from January 30, 2018.

Maturity Date

January 30, 2028

Interest Rate

4.500% per annum, from and including January 18, 2018, to, but excluding January 30, 2023, semi-annually in arrears. From and including January 30, 2023, to, but excluding the maturity date or earlier redemption, a floating per annum rate equal to the then current three-month LIBOR (as defined in "Description of Notes — General") provided, however, that in the event three-month LIBOR is less than zero, three-month LIBOR shall be deemed to be zero, plus 212 basis points, payable quarterly in arrears. Interest on the Notes during the fixed period will be computed on the basis of a 360 day year of twelve 30-day months and interest during the floating period will be calculated based upon the actual number of days during the period divided by 360 days.

Interest Payment Dates

Interest on the Notes will be payable on January 30 and July 30 of each year through, but not including, January 30, 2023, and thereafter on January 30, April 30, July 30 and October 30 of each year to, but excluding, the maturity date or earlier redemption. The first interest payment will be made on July 30, 2018.

Subordination; Ranking

The Notes will be our unsecured subordinated obligations and:

- will rank junior in right of payment and upon our liquidation to any of our existing and all future Senior Indebtedness, all as described under "Description of the Notes — Ranking" in this prospectus supplement;

- will rank junior in right of payment and upon our liquidation to any of our existing and all of our future general creditors;

- will rank equal in right of payment and upon our liquidation with any of our existing and all of our future indebtedness the terms of which provide that such indebtedness ranks equally with the Notes;

- will rank senior in right of payment and upon our liquidation to (i) our existing junior subordinated debentures underlying outstanding trust preferred securities, and (ii) any of our indebtedness the terms of which provide that such indebtedness ranks junior in right of payment to note indebtedness such as the Notes; and

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- will be effectively subordinated to our future secured indebtedness to the extent of the value of the collateral securing such indebtedness, and structurally subordinated to the existing and future indebtedness of our subsidiaries, including without limitation the Bank's depositors, liabilities to general creditors and liabilities arising during the ordinary course of business or otherwise.

As of September 30, 2017, on a consolidated basis, our outstanding indebtedness and other liabilities totaled approximately $9.9 billion, which includes approximately $9.1 billion of deposit liabilities and $633 billion of outstanding indebtedness that rank structurally senior to the Notes. As of September 30, 2017, we also had approximately $16.7 million of outstanding junior subordinated debt securities that rank junior to the Notes.
The Indenture does not limit the amount of additional indebtedness we or our subsidiaries may incur.

Optional Redemption

We may, at our option, beginning with the interest payment date of January 30, 2023 and on any scheduled interest payment date thereafter, redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest to, but excluding, the date of redemption.

Use of Proceeds

We intend to use the net proceeds from this offering for the financing of the cash consideration payable by United in connection with the Merger and for general corporate purposes, which may include other acquisitions.

Events of Default; Remedies

The Notes will contain customary payment, covenant and insolvency events of default. The Trustee and the holders of the Notes may not accelerate the maturity of the Notes upon the occurrence of any payment or covenant event of default. However, if an insolvency-related event of default occurs, the principal of, and accrued and unpaid interest on, the Notes will become immediately due and payable without any action of the Trustee or the holders of the Notes. In the event of such an acceleration of the maturity of the Notes, all of our obligations to holders of our Senior Indebtedness will be entitled to be paid in full before any payment or distribution, whether in cash, securities or other property, can be made on account of the principal of, or accrued and unpaid interest on, the Notes. See "Description of the Notes — Events of Default; Limitation on Suits."

Sinking Fund

None.

Additional Notes

We may from time to time, without notice to or consent of the holders, increase the aggregate principal amount of the Notes outstanding by issuing additional notes in the future with the same terms as the Notes, except for the issue date, the offering price and the first interest payment date, and such additional notes may be consolidated with the Notes issued in this offering and form a single series.

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Listing

United does not intend to list the Notes on any securities exchange or to have the Notes quoted on a quotation system. Currently, there is no public market for the Notes and there can be no assurance that any public market for the Notes will develop.

Governing Law

The Notes and the Indenture will be governed by the laws of the State of New York.

Trustee

The Bank of New York Mellon Trust Company, N.A.

Global Note; Book-Entry System

The Notes will initially be issued in fully registered form without interest coupons. The Notes will be evidenced by a global note deposited with the Trustee, as custodian for DTC, and registered in the name of DTC or a nominee of DTC. Beneficial interests in the global note will be shown on, and transfers of those beneficial interest can only be made through, records maintained by DTC and its participants.

U.S. Federal Income Tax Consequences

You should carefully review the section “Certain Material U.S. Federal Income Tax Consequences” in this prospectus supplement and discuss the tax consequences of your particular situation with your tax advisor.

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RISK FACTORS

Investing in the Notes involves a high degree of risk. You should carefully review the risks and uncertainties listed below, together with the risk factors described in the section entitled "Risk Factors" in each of the accompanying prospectus and our most recent Annual Report on Form 10-K, as updated by any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K that we have filed or will file with the SEC and which are incorporated by reference into this prospectus supplement. The risks described in these documents are not the only ones we face, but those that we currently consider to be material. There may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. Please also read carefully the section below entitled "A Warning About Forward-Looking Statements".

Risks Related to the Notes

Our obligations under the Notes will be unsecured and subordinated to our existing and future Senior Indebtedness.

The Notes will be subordinated obligations of ours. Accordingly, they will be junior in right of payment to any existing and future Senior Indebtedness (as defined in "Description of the Notes — Ranking" in this prospectus supplement). The Notes will rank equally with all other unsecured subordinated indebtedness of ours issued in the future under the Indenture. In addition, the Notes will be structurally subordinated to all existing and future indebtedness, liabilities and other obligations, including deposits, of our subsidiaries, including the Bank. Because the Notes will not be secured by any of our assets, they also will be effectively subordinated to all of our secured indebtedness to the extent of the value of the assets securing such indebtedness. As of September 30, 2017, on a consolidated basis our outstanding indebtedness and other liabilities totaled approximately $9.9 billion, which includes approximately $9.1 billion of deposit liabilities and $633 billion of outstanding indebtedness that rank structurally senior to the Notes.

The Notes will rank equally with all other unsecured subordinated indebtedness of ours issued in the future under the Indenture. The Indenture does not limit the amount of Senior Indebtedness and other financial obligations or secured obligations that we or our subsidiaries may incur. As a result of the subordination provisions described above and in the following paragraph, holders of Notes may not be fully repaid in the event of bankruptcy, liquidation or reorganization of United.

The Notes are not obligations of, or guaranteed by, our subsidiaries and are structurally subordinated to all liabilities of our subsidiaries.

The Notes will be obligations of United only and will not be guaranteed by any of our subsidiaries, including the Bank. The Notes will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries, which means that creditors of our subsidiaries (including, in the case of the Bank, its depositors) generally will be paid from those subsidiaries' assets before holders of the Notes would have any claims to those assets. Even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of that subsidiary and any debt of that subsidiary senior to that held by us, and our rights could otherwise be subordinated to the rights of other creditors and depositors of that subsidiary. Furthermore, none of our subsidiaries is under any obligation to make payments to us, and any payments to us would depend on the earnings or financial condition of our subsidiaries and various business considerations. Statutory, contractual or other restrictions may also limit our subsidiaries' ability to pay dividends or make distributions, loans or advances to us. For these reasons, we may not have access to any assets or cash flows of our subsidiaries to make interest and principal payments on the Notes.

Regulatory guidelines may restrict our ability to pay the principal of, and accrued and unpaid interest on, the Notes, regardless of whether we are the subject of an insolvency proceeding.

As a bank holding company, our ability to pay the principal of, and interest on, the Notes is subject to the guidelines of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") regarding capital adequacy. We intend to treat the Notes as "Tier 2 capital" of United under the Federal

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Reserve Board's regulatory capital rules and guidelines. Moreover, under Federal Reserve Board policy, a bank holding company is required to act as a source of financial and managerial strength to each of its banking subsidiaries and commit resources to their support, including the guarantee of capital plans of an undercapitalized bank subsidiary. Such support may be required at times when a holding company may not otherwise be inclined to provide it. We may be unable to pay accrued interest on the Notes on one or more of the scheduled interest payment dates or at any other time or the principal of the Notes at the maturity of the Notes.

If United was to be the subject of a bankruptcy proceeding under Chapter 11 of the U.S. Bankruptcy Code, the bankruptcy trustee would be deemed to have assumed and would be required to cure immediately any deficit under any commitment we have to any of the federal banking agencies to maintain the capital of the Bank and any other insured depository institution for which we have such a responsibility, and any claim for breach of such obligation would generally have priority over most other unsecured claims.

We may be unable to repay the Notes.

As a bank holding company, our ability to pay interest on, and the principal amount of, our indebtedness, including the Notes, depends primarily on the receipt of dividends from the Bank as our wholly-owned bank subsidiary. Dividend payments from the Bank are subject to legal and regulatory limitations, generally based on retained earnings, imposed by bank regulatory agencies. The ability of the Bank to pay dividends is also subject to financial condition, regulatory capital requirements, capital expenditures and other cash flow requirements.

Our failure to pay interest on, or the principal amount of, the Notes when due and payable will constitute an event of default under the Notes and the Indenture. We may not have sufficient funds to make the required interest payments or the principal amount at maturity of the Notes or have the ability to arrange necessary financing on acceptable terms. We also cannot assure you that we will have sufficient funds or will be able to arrange for additional financing to pay such amounts when due. In addition, future borrowing arrangements or regulatory or other agreements or obligations to which we become a party may contain restrictions on, or prohibitions against, our repayment of the Notes. Our inability to pay for your Notes could result in your receiving substantially less than the principal amount of the Notes.

The Notes contain limited events of default, and the remedies available thereunder are limited.

As described in "Description of the Notes — Events of Default; Limitation on Suits," the Notes contain limited events of default and remedies. As a result of our intent to treat all of the Notes as Tier 2 capital after the consummation of the offering of the Notes, the ability of the Trustee under the subordinated debt Indenture that governs the Notes and the holders of the Notes to accelerate the maturity of and our obligation to pay immediately the principal of, and any accrued and unpaid interest on the Notes will be limited to the events of default that occur upon the entry of a decree or order for relief in respect United by a court having jurisdiction in the premises in an involuntary proceeding under Chapter 7 (liquidation) or Chapter 11 (reorganization) of the U.S. Bankruptcy Code as now or hereafter in effect, and such decree or order having continued unstayed and in effect for a period of 60 consecutive days or if United commences a bankruptcy or insolvency proceeding or consents to the entry of an order in an involuntary proceeding under Chapter 7 (liquidation) or Chapter 11 (reorganization) of the U.S.Bankruptcy Code as now or hereafter in effect. Consequently, neither the Trustee nor any holder of Notes has or will have the right to accelerate the maturity of the Notes in the case of our failure to pay the principal of, or interest on, the Notes or our nonperformance of any other covenant or warranty under the Notes or the Indenture. The holders of our outstanding subordinated notes and junior subordinated debentures are subject to substantially the same limitations, but the holders of our Senior Indebtedness are not and will not be subject to limitations of that type. If the holders of our senior indebtedness are able to accelerate the maturity of some or all of our Senior Indebtedness at a time when a noninsolvency default has occurred, but an insolvency default has not occurred, with respect to the Notes, such holders of our Senior Indebtedness may be able to accelerate the maturity of, and pursue the payment in full of, that Senior Indebtedness while the holders of the Notes would be unable to pursue similar remedies with respect to the Notes.

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Our indebtedness could adversely affect our financial results and prevent us from fulfilling our obligations under the Notes.

Our principal and interest payment obligations under our currently outstanding indebtedness are significant. The degree to which we will be leveraged after incurring any additional indebtedness pursuant to this offering could materially and adversely affect our ability to obtain additional necessary financing and could make us more vulnerable to industry downturns and competitive pressures. Our ability to meet our debt service obligations will be dependent upon our future performance, which will be subject to financial, business, regulatory and other factors affecting our operations, many of which are beyond our control.

We may be unable to generate sufficient cash flow to satisfy our obligations under the Notes.

Our ability to generate cash flow from operations to make interest payments on the Notes will depend on our future performance, which will be affected by a range of economic, competitive and business factors. We cannot control many of these factors, including general economic conditions. If our operations do not generate sufficient cash flow to satisfy our obligations under the Notes, we may need to borrow additional funds to make these payments or undertake alternative financing plans, such as refinancing or restructuring our debt, or reducing or delaying capital investments and acquisitions. Such additional funds or alternative financing may not be available to us on favorable terms, or at all. Our inability to generate sufficient cash flow from operations, incur substantially more debt or obtain additional funds or alternative financing on acceptable terms could have a material adverse effect on our business, financial condition and results of operations.

There are limited covenants in the Indenture pursuant to which we will issue the Notes.

There are no financial covenants in the Indenture. You are not protected under the Indenture in the event of a highly leveraged transaction, reorganization, default under our existing Indebtedness, restructuring, merger or similar transaction that may adversely affect you, except to the extent described under “Description of Notes — Covenants” included in this prospectus supplement.

In addition, neither we nor any of our subsidiaries is restricted from incurring additional debt or other liabilities, including additional senior debt, under the Indenture pursuant to which we will issue the Notes. If we incur additional debt or liabilities, our ability to pay our obligations on the Notes could be adversely affected. We expect to incur, from time to time, additional debt and other liabilities. In addition, we are not restricted under the Indenture from granting security interests in our assets, except to the extent described under “Description of Notes — Covenants” in this prospectus supplement, or from paying dividends or issuing or repurchasing our securities.

We and/or the holders of the Notes may be adversely affected by unfavorable rating actions from (or an adverse development affecting) credit rating agencies.

Our ability to access the capital markets is important to our overall funding profile. This access and the interest rates that we pay on our securities are influenced by, among other things, the ratings assigned by rating agencies to us and particular classes of securities that we issue. In general, rating agencies base their ratings on many quantitative and qualitative factors, including capital adequacy, liquidity, asset quality, business mix and level and quality of earnings, and our ratings may change from time to time. In addition, rating agencies have themselves been subject to scrutiny arising from the 2008 financial crisis, and rating agencies may make, or be required to make, substantial changes to their ratings policies and practices, and such changes may affect ratings of our securities.

A rating agency may downgrade, qualify or withdraw a rating at any time. Any decrease, or potential decrease, in credit ratings could have an adverse effect on the market price of the Notes, impair our ability to access the capital markets and/or increase the cost of our debt, and thereby adversely affect our liquidity and financial condition. We also cannot predict whether customer relationships or opportunities for future relationships could be adversely affected by customers who choose to do business with a higher rated institution. Additionally, rating agencies that we have not engaged to provide a rating may nevertheless issue an unsolicited rating. If any such unsolicited ratings are issued, they may be different from the ratings

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previously issued by other rating agencies. The issuance of unsolicited ratings that are different from the previously issued ratings may affect the value of the Notes. Below investment-grade securities are subject to a higher risk of price volatility than similar, higher-rated securities. Furthermore, increases in leverage or deteriorating outlooks for an issuer, or volatile markets, could lead to continued significant deterioration in market prices of below-investment grade rated securities. If the SEC determines in the future that any rating agency that has rated us or the Notes no longer qualifies as a "nationally recognized statistical ratings organization" for purposes of the federal securities laws, that determination may have an adverse effect on the market price of the Notes.

An investment in the Notes is not an insured deposit.

The Notes are not bank deposits and, therefore, are not insured against loss by the Federal Deposit Insurance Corporation ("FDIC"). The Notes are also not insured by any other public or private entity. Investment in the Notes is inherently risky for the reasons described in this "Risk Factors" section and elsewhere in this prospectus supplement and is subject to the same market forces that affect the securities in any company. As a result, if you acquire the Notes, you may lose some or all of your investment.

We do not intend to apply to list the Notes on any securities exchange and an active trading market may not develop for the Notes.

The Notes will not be liquid investments because no public trading market currently exists for the Notes and it is unlikely that a market will develop. We do not intend to apply for the listing of the Notes on any securities exchange or for the quotation of the Notes on any quotation system. As a result, an active market for the Notes may not develop. Even if a trading market for the Notes were to develop, it may not continue, and a purchaser of some or all of the Notes may not be able to sell such Notes at or above the price at which they were purchased. Potential purchasers of the Notes should consider carefully the limited liquidity of such investment before purchasing some or all of the Notes.

The amount of interest payable on the Notes will vary based on LIBOR.

From and including January 30, 2023, excluding the maturity date or earlier redemption date, the Notes will bear a floating interest rate calculated based on three-month LIBOR. Floating rate notes bear additional significant risks not associated with fixed rate debt securities. These risks include fluctuation of the interest rates and the possibility that you will receive an amount of interest that is lower than expected. We have no control over a number of matters, including economic, financial, and political events, that are important in determining the existence, magnitude, and longevity of market volatility and other risks and their impact on the value of, or payments made on, the floating rate Notes. In recent years, interest rates have been volatile, and that volatility may be expected in the future.

The historical levels of three-month LIBOR are not an indication of the future levels of three-month LIBOR.

In the past, the level of three-month LIBOR has experienced significant fluctuations. You should note that historical levels, fluctuations and trends of three-month LIBOR are not necessarily indicative of future levels. Any historical upward or downward trend in three-month LIBOR is not an indication that three-month LIBOR is more or less likely to increase or decrease at any time during the floating rate period of the notes, and you should not take the historical levels of three-month LIBOR as an indication of its future performance.

Uncertainty relating to the LIBOR calculation process may adversely affect the value of the Notes.

Regulators and law enforcement agencies in the United Kingdom and elsewhere are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association (the "BBA") in connection with the calculation of daily LIBOR may have been underreporting or otherwise manipulating or attempting to manipulate LIBOR. Actions by the BBA, regulators or law enforcement agencies, as well as ICE Benchmark Administration (the current administrator of LIBOR), may result in changes to the manner in which LIBOR is determined or the establishment of alternative reference rates. For example, on July 27, 2017, the U.K. Financial Conduct Authority announced that it intends to stop persuading or compelling banks to submit LIBOR rates after 2021. At this time, it is not possible to predict

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the effect of any such changes, any establishment of alternative reference rates or any other reforms to LIBOR that may be implemented in the United Kingdom or elsewhere. Uncertainty as to the nature of such potential changes, alternative reference rates or other reforms may result in a sudden or prolonged increase or decrease in reported LIBOR rates or otherwise adversely affect the trading market for LIBOR-based securities, including the Notes. If any of these were to occur, the value of the Notes may be affected.

To the extent that three-month LIBOR is discontinued or is no longer quoted, the applicable rate used to calculate interest on the Notes beginning in 2022 will be determined using the alternative methods described in "Description of the Notes — Payment of Principal and Interest." Any of these alternative methods may result in interest payments that are lower than or that do not otherwise correlate over time with the payments that would have been made on the notes if three-month LIBOR were available in its current form. The final alternative method sets the interest rate for an interest period at the same rate as the immediately preceding interest period (or at 4.500% in the case of the interest period commencing on the first reset date). The Bank will appoint a banking institution or trust company to act as calculation agent with respect to the calculation of an alternate floating rate in the event the three-month LIBOR is discontinued or is no longer quoted. If the Bank is unable to identify a third party that is willing to serve as the calculation agent, the Bank will be responsible for calculating the interest rate for each floating rate distribution period. Any of the above methods, changes or any other consequential changes to LIBOR as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the value of and return on the Notes.

Holders of the Notes will have no rights against the publishers of LIBOR.

Holders of the Notes will have no rights against the publishers of LIBOR, even though the amount they receive on each interest payment date after January 30, 2023 will depend upon the level of LIBOR. The publishers of LIBOR are not in any way involved in this offering and have no obligations relating to the Notes or the holders of the Notes.

Risks Associated with Our Business and Related to Regulatory Events

For a discussion of the risks associated with our business and industry, as well as the risks related to legislative and regulatory events, see the section entitled "Risk Factors" in each of our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly Report for the quarterly period ended September 30, 2017, which is incorporated in this prospectus supplement by reference.

We may be unable to successfully integrate Navitas' operations and retain its key employees.

The Merger involves the integration of two companies that previously operated independently. The difficulties of combining the companies' operations include integrating personnel, departments, systems, operating procedures and information technologies and retaining key employees. Failures in integrating operations or the loss of key personnel could have a material adverse effect on the business and results of operations of the combined company.

If the merger is not completed, our common stock could be materially adversely affected.

The Merger is subject to customary conditions to closing, including the approval of the NLFC shareholders. In addition, we and NLFC may terminate the merger agreement under certain circumstances. If we and NLFC do not complete the Merger, the market price of our common stock may fluctuate to the extent that the current market prices of those shares reflect a market assumption that the Merger will be completed. Further, we would not realize any of the expected benefits of having completed the Merger. If the Merger is not completed, additional risks may materialize or materially adversely affect the business, results of operations and stock prices of United.

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A WARNING ABOUT FORWARD-LOOKING STATEMENTS

This prospectus supplement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), about United and its subsidiaries. These forward-looking statements are intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact, and can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “could,” “should,” “projects,” “plans,” “goal,” “targets,” “potential,” “estimates,” “pro “intends” or “anticipates,” the negative thereof or comparable terminology. Forward-looking statements include discussions of strategy, financial projections, guidance and estimates (including their underlying assumptions), statements regarding plans, objectives, expectations or consequences of various transactions or events, and statements about the future performance, operations, products and services of United and its subsidiaries. We caution our investors and other readers not to place undue reliance on such statements.

Our businesses and operations are and will be subject to a variety of risks, uncertainties and other factors. Consequently, actual results and experience may materially differ from those contained in any forward-looking statement. Such risks, uncertainties and other factors that could cause actual results and experiences to differ from those contemplated include, but are not limited to, the risk factors set forth in this prospectus supplement or our Annual Report on Form 10-K for the year ended December 31, 2016, as well as the following factors:

- the condition of the general business and economic environment;
- the results of our internal credit stress tests may not accurately predict the impact on our financial condition if the economy were to deteriorate;
- our ability to maintain profitability;
- our ability to fully realize the balance of our net deferred tax asset, including net operating loss carryforwards;
- the impact of lower federal income tax rates on the carrying amount of our deferred tax asset;
- a requirement to increase the valuation allowance on our net deferred tax asset in future periods;
- the condition of the banking system and financial markets;
- our ability to raise capital;
- our ability to maintain liquidity or access other sources of funding;
- changes in the cost and availability of funding;
- the success of the local economies in which we operate;

- our lack of geographical diversification;
- our concentrations of residential and commercial construction and development loans and commercial real estate loans are subject to unique risks that could adversely affect our earnings;
- changes in prevailing interest rates may negatively affect our net income and the value of our assets and other interest rate risks;
- our accounting and reporting policies;
- if our allowance for loan losses is not sufficient to cover actual loan losses;
- losses due to fraudulent and negligent conduct of our loan customers, third party service providers or employees;
- risks related to our communications and information systems, including risks with respect to cybersecurity breaches;
- our reliance on third parties to provide key components of our business infrastructure and services required to operate our business;

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- competition from financial institutions and other financial service providers;
- risks with respect to our ability to successfully expand and complete acquisitions and integrate businesses and operations that are acquired;
- deteriorating conditions in the stock market, the public debt market and other capital markets;
- the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and related regulations;
- changes in laws and regulations or failures to comply with such laws and regulations;
- changes in regulatory capital and other requirements;
- the costs and effects of litigation, examinations, investigations, or similar matters, or adverse facts and developments related thereto;
- possible regulatory or judicial proceedings, board resolutions, informal memorandums of understanding or formal enforcement actions imposed by regulators;
- changes in tax laws, regulations and interpretations or challenges to our income tax provision;
- our ability to maintain effective internal controls over financial reporting and disclosure controls and procedures;
- we may be unable to successfully integrate Navitas' operations and retain its key employees, or realize the expected financial impact of the Merger; and
- we may not complete the Merger.

Additional information with respect to factors that may cause actual results to differ materially from those contemplated by such forward-looking statements may also be included in other reports that we file with the SEC. We caution that the foregoing list of factors is not exclusive, and that you should not place undue reliance on forward-looking statements. We do not intend to update any forward-looking statement, whether written or oral, relating to the matters discussed in this prospectus supplement.

USE OF PROCEEDS

The proceeds to us from the sale of the Notes will be approximately $98,500,000 (after deducting estimated underwriting discounts and commissions and estimated offering expenses). We intend to use the net proceeds from this offering to fund the cash consideration payable by United in connection with the Merger and for general corporate purposes, which may include the financing of other acquisitions.

CAPITALIZATION

The following table sets forth our consolidated capitalization as of September 30, 2017, on an actual basis and as adjusted to give effect to the (i) consideration paid in cash and shares of common stock, and subordinated debt and trust preferred securities assumed in connection with our acquisition of FOFN on November 1, 2017, (ii) maturity and repayment of our 9.00% Senior Notes due 2017 on October 15, 2017, (iii) issuance of common stock in connection with the Merger, and (iv) sale of the Notes in this offering, but not the application of the net proceeds from such sale. Additionally, it does not contemplate the revaluation of our net deferred tax asset.

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The following table should be read in conjunction with our consolidated financial statements and the related notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As of September 30, 2017	
	Actual	As Adjusted
	(unaudited) (in thousands)	
Federal Home Loan Bank advances and other borrowings over one year	$ 222,000	$ 242,000
Long-term debt:		
9.00% Senior Notes due 2017	35,000	—
5.00% Senior Notes due 2022	50,000	50,000
5.50% Senior Notes due 2027	35,000	35,000
6.25% Subordinated Notes due 2025	—	11,500
Notes offered hereby	—	100,000
Trust preferred securities	19,450	31,450
Total long-term debt	361,450	469,950
Shareholders' equity:		
Common stock, $1 par value; 150,000,000 shares authorized; 73,403,453 and 79,168,590 shares issued and outstanding, actual and as adjusted, respectively	73,403	79,168
Common stock issuable; 588,445 shares	8,703	8,703
Capital surplus	1,341,346	1,494,746
Accumulated deficit	(192,128)	(192,128)
Accumulated other comprehensive loss	(10,684)	(10,684)
Total shareholders' equity	1,220,640	1,379,805
Total capitalization	$ 1,582,090	$ 1,849,755

RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges and our ratio of earnings to fixed charges excluding interest on deposits for the periods indicated:

	For the Nine Months Ended September 30, 2017	For the Years Ended December 31,				
		2016	2015	2014	2013	2012
Ratios of earnings to fixed charges(1):						
Including deposit interest	6.11x	7.12x	6.20x	4.95x	1.35x	1.28x
Excluding deposit interest	10.12x	10.89x	9.65x	8.09x	1.50x	1.48x

(1)
Fixed charges consist of interest expensed and capitalized, amortized premiums, discounts and capitalized expenses related to indebtedness, an estimate of the interest with rental expense, pre-tax earnings required to pay dividends on outstanding preferred stock and pre-tax accretion.

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DESCRIPTION OF THE NOTES

This section outlines the specific financial and legal terms of the Notes that are more generally described under "Description of Securities — Description of Debt Securities" beginning on page 10 of the accompanying prospectus. If anything described in this section is inconsistent with the terms described under "Description of Securities — Description of Debt Securities" in the accompanying prospectus, the terms described here shall prevail.

This summary and the summary in the accompanying prospectus under "Description of Securities — Description of Debt Securities" is not meant to be a complete description of the Notes. This description, and the description in the accompanying prospectus, is subject to and qualified in its entirety by reference to our Restated Articles of Incorporation, as amended (the "Articles"), and our Amended and Restated Bylaws, as amended (the "Bylaws"), the applicable provisions of the Georgia Business Corporation Code, and the Indenture. The Articles and Bylaws are filed as exhibits to our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015, and the Indenture is filed as an exhibit to the registration statement of which this prospectus supplement forms a part.

Wherever particular provisions or defined terms of the Indenture or the Notes are referred to, these provisions or defined terms are incorporated in this prospectus supplement by reference. We urge you to read these documents in their entirety because they, and not this description, define the rights of holders of the Notes. You may request copies of these documents from us upon written request at our address, which is listed in this prospectus supplement under "Where You Can Find More Information".

General

We are offering $100,000,000 aggregate principal amount of 4.500% Fixed to Floating Rate Subordinated Notes due January 30, 2028 (the "Notes"). From and including January 18, 2018, to, but excluding January 30, 2023, we will pay interest on the Notes semi-annually in arrears on each January 30 and July 30 at a fixed annual interest rate equal to 4.500%. From and including January 30, 2023, to, but excluding the maturity date or earlier redemption date, the interest rate will reset quarterly to an annual interest rate equal to the then-current three-month LIBOR, payable quarterly in arrears on each January 30, April 30, July 30 and October 30 of each year. Notwithstanding the foregoing, if then-current three-month LIBOR is less than zero, three-month LIBOR shall be deemed to be zero plus a spread of 212 basis points.

"Interest Reset Period" means each quarterly period during the periods in which the interest rate on the Notes is a floating rate equal to 3-month LIBOR plus basis points, commencing on and including an interest payment date and ending on but excluding the next succeeding interest payment date. The first Interest Reset Period shall commence on and include January 30, 2023.

"LIBOR" means, (i) the rate for deposits in U.S. dollars for the 3-month period which appears on Reuters LIBOR 01 (as defined below) at approximately 11:00 a.m., London time, on the applicable interest determination date. "Reuters LIBOR 01" means the display designated on page LIBOR 01 on the Reuters Service (or such other page as may replace the LIBOR 01 page on that service or any successor service for the purpose of displaying London interbank offered rates for U.S. dollar deposits of major banks), and (ii) with respect to an interest determination date on which no rate appears on Reuters LIBOR 01 as of approximately 11:00 a.m., London time, on such interest determination date, the calculation agent shall request the principal London offices of each of four major reference banks (which may include affiliates of the underwriters) in the London interbank market selected by the Company to provide the calculation agent with a quotation of the rate at which deposits of U.S. dollars having a three-month maturity, commencing on the second London business day immediately following such interest determination date, are offered by it to prime banks in the London interbank market as of approximately 11:00 a.m., London time, on such interest determination date in a principal amount equal to an amount of not less than $1,000,000 that is representative for a single transaction in such market at such time. If at least two such quotations are provided, LIBOR for such interest determination date will be the arithmetic mean of such quotations as calculated by the calculation agent. If fewer than two quotations are provided, LIBOR for such interest determination date will be the arithmetic mean of the rates quoted as of approximately 11:00 a.m., New York City time, on such interest determination date by three major banks (which may include affiliates of the underwriters) selected by the Company for loans in U.S. dollars to leading European banks having a

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three-month maturity commencing on the second London business day immediately following such interest determination date and in a principal amount equal to an amount of not less than $1,000,000 that is representative for a single transaction in such market at such time; provided, however, that if the banks selected as aforesaid by the Company are not quoting such rates as mentioned in this sentence, LIBOR for such interest determination date will be LIBOR determined with respect to the immediately preceding interest determination date.

"London Banking Day" means any day on which commercial banks are open for general business (including dealings in deposits in U.S. dollars) in London.

The Notes will be issued only in fully registered form without interest coupons, and only in denominations of $1,000 of principal amount and any integral multiple of $1,000 in excess thereof.

There is no sinking fund for the Notes. The Notes are not deposits or other obligations of our bank subsidiary and are not insured by the FDIC or any other government agency.

We may at any time, without notice to or the consent of the holders of the Notes, but in compliance with the terms of the Indenture, issue additional notes of the same series as the Notes or otherwise having the same ranking, interest rate, maturity date or other terms as the Notes.

For information about regulatory restrictions on payments on our indebtedness, see the information under the heading "Risk Factors" beginning on page S-7 of this prospectus supplement.

Redemption

The Notes are redeemable, in whole or in part, at our option on any interest payment date on or after January 30, 2023. The redemption price will be equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest to but excluding the redemption date. The Notes may not otherwise be redeemed prior to maturity, except that we may also, at our option, redeem the Notes at any time, including before January 30, 2023, in whole but not in part, at a price equal to 100% of the principal amount of the Notes being redeemed plus interest that is accrued and unpaid to but excluding the date of redemption upon the occurrence of:

- a "Tax Event," defined in the Indenture to mean the receipt by us of an opinion of independent tax counsel to the effect that as a result of (a) an amendment to or change (including any announced prospective amendment or change) in any law or treaty, or any regulation thereunder, of the United States or any of its political subdivisions or taxing authorities; (b) a judicial decision, administrative action, official administrative pronouncement, ruling, regulatory procedure, regulation, notice or announcement, including any notice or announcement of intent to adopt or promulgate any ruling, regulatory procedure or regulation (any of the foregoing, an "administrative or judicial action"); (c) an amendment to or change in any official position with respect to, or any interpretation of, an administrative or judicial action or a law or regulation of the United States that differs from the previously generally accepted position or interpretation; or (d) a threatened challenge asserted in writing in connection with an audit of our federal income tax returns or positions or a similar audit of any of our Subsidiaries, or a publicly known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes, in each case, occurring or becoming publicly known on or after the original issue date of the Notes, there is more than an insubstantial risk that interest payable by us on the Notes is not, or, within 90 days of the date of such opinion, will not be, deductible by us, in whole or in part, for United States federal income tax purposes;

- a "Tier 2 Capital Event," defined in the Indenture to mean the receipt by us of an opinion of independent bank regulatory counsel to the effect that as a result of: (a) any amendment to, or change in, the laws, rules or regulations of the United States (including, for the avoidance of doubt, any agency or instrumentality of the United States, including the Federal Reserve Board and other appropriate federal bank regulatory agencies) that is enacted or becomes effective after the initial issuance of the Notes; (b) any proposed change in those laws, rules or regulations that is announced or becomes effective after the initial issuance of the Notes; or (c) any official

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administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws, rules or regulations or policies with respect thereto that is announced after the initial issuance of the Notes, in each case, there is more than an insubstantial risk that we will not be entitled to treat the Notes then outstanding as “Tier 2 capital” (or its equivalent) for purposes of the capital adequacy rules of the Federal Reserve Board (or, as and if applicable, the capital adequacy rules or regulations of any successor appropriate federal banking agency) as then in effect and applicable, for so long as any Note is outstanding; or

- a “1940 Act Event,” defined in the Indenture to mean our becoming required to register as an investment company pursuant to the Investment Company Act of 1940, as amended.

Notice of any redemption will be given to the holders at least 10 days, but not more than 60 days, before the redemption date to each holder of Notes to be redeemed in accordance with the Indenture.

Once notice of redemption is given to the holders, the Notes called for redemption will become due and payable on the redemption date and at the redemption price. A notice of redemption may not be conditional. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portion thereof called for redemption.

We may not redeem the Notes in part if the principal amount has been accelerated and such acceleration has not been rescinded, or unless all accrued and unpaid interest has been paid in full on all outstanding Notes for all interest periods terminating on or before the redemption date. If we redeem the Notes in part, the Trustee will select the Notes to be redeemed in principal amounts of $1,000 any integral multiple of $1,000 in excess thereof in such manner as it deems fair and appropriate; provided, however, that Notes held in global form shall be selected for redemption in accordance with the applicable procedures of DTC.

In the event of any redemption, neither we nor the Trustee will be required to (a) issue, register the transfer of, or exchange the Notes during a period beginning at the opening of business 15 days before the day of delivery of a notice of redemption of any such Notes selected for redemption and ending at the close of business on the day of delivery of notice of redemption, or (b) transfer or exchange any Notes so selected for redemption, except, in the case of any Notes being redeemed in part, any portion thereof not to be redeemed.

Transfer and Exchange

The Notes will initially be issued in fully registered form without interest coupons. The Notes will be evidenced by one or more global notes deposited with the Trustee, as custodian for DTC, and registered in the name of DTC or a nominee of DTC. Beneficial interests in the global notes will be shown on, and transfers of those beneficial interest can only be made through, records maintained by DTC and its participants. Notes may not be transferred except by DTC to a nominee of DTC, by a nominee of DTC to DTC or to another nominee of DTC, or by DTC or any such nominee to a successor depositary or a nominee of such successor depositary.

Notes held as beneficial interests in the global notes will be exchangeable for certificates issued in definitive registered form only in the limited circumstances described under “Description of Securities — Description of Debt Securities — Transfer and Exchange — Global Debt Securities and Book-Entry System” in the accompanying prospectus.

Notices to be given to holders of Notes in global form will be given only to DTC, in accordance with its applicable policies as in effect from time to time. Notices to be given to holders of Notes not in global form will be sent by mail to the respective addresses of such holders as they appear in the register maintained by the registrar, and will be deemed given when mailed.

Covenants

Consolidation, merger and sale of assets. Subject to certain exceptions, for so long as any of the Notes is outstanding, the Company and the Company’s depository institution subsidiary, the Bank, will not, directly or indirectly, sell or otherwise dispose of any shares of, securities convertible into, or options,

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warrants or rights to subscribe for or purchase shares of, voting stock of the Bank, nor will the Company permit the Bank to issue such securities of the Bank if, in each case, the Company would cease to own, directly or indirectly, at least 80% of the issued and outstanding voting stock of the Bank.

Additionally, for so long as any of the Notes are outstanding, and subject to certain exceptions, the Company will not permit the Bank to merge or consolidate with or into any corporation or other person, unless:

- the Company is the surviving corporation or person; or

- if the Company is not the surviving corporation or person, upon the consummation of such transaction, the Company will own, directly or indirectly, at least 80% of the surviving corporation's issued and outstanding voting stock.

Further, the Company will not permit the Bank to lease, sell, assign or transfer all or substantially all of its properties and assets to any person (other than the Company), unless, upon such transaction, the Company will own, directly or indirectly, at least 80% of the issued and outstanding voting stock of that person.

Liens. Subject to certain exceptions, for so long as any of the Notes are outstanding, the Company and the Bank, will not create, assume, incur, encumbrance or lien, as the security for indebtedness for borrowed money, upon any shares of voting stock of the Bank (or securities convertible into, or options, warrants or rights to subscribe for or purchase shares of that voting stock), without making effective provision whereby the Notes shall be equally and ratably secured with any and all such indebtedness, if such action would result in the Company not continuing to own at least 80% of the issued and outstanding voting stock of the Bank.

Ranking

The Notes will rank equally with all other unsecured subordinated indebtedness of the Company issued in the future under the Indenture. The Notes will also rank senior to $16.7 million of the Company's junior subordinated indebtedness. The Notes will be subordinated in right of payment to any of our existing and all future Senior Indebtedness and to any of our existing and all of our future general creditors.

The Notes will be effectively subordinated to our future secured indebtedness to the extent of the value of the collateral securing such indebtedness, and structurally subordinated to all existing and future Indebtedness and other liabilities of our subsidiaries, including without limitation the Bank's depositors liabilities to general creditors and liabilities arising during the ordinary course of business or otherwise, which means that creditors of our subsidiaries generally will be paid from those subsidiaries' assets before holders of the Notes would have any claims to those assets. The Notes will rank equal in right of payment and upon our liquidation with any of our existing and all of our future Indebtedness the terms of which provide that such indebtedness ranks equally with the Notes. The Notes will rank senior in right of payment and upon our liquidation to any of our indebtedness the terms of which provide that such Indebtedness ranks junior in right of payment to note indebtedness such as the Notes.

The Indenture and the Notes do not limit the amount of Senior Indebtedness, secured indebtedness or other liabilities having priority over the Notes that we or our subsidiaries may incur. As of September 30, 2017, on a consolidated basis, our outstanding indebtedness and other liabilities totaled approximately $9.9 billion, which includes approximately $9.1 billion of deposit liabilities and $633 billion of outstanding indebtedness that rank structurally senior to the Notes. As of September 30, 2017, we also had approximately $16.7 million of outstanding junior subordinated debt securities that rank junior to the Notes.

"Senior Indebtedness" means the principal, premium, if any, interest, including any interest accruing after bankruptcy, and rent or termination payment on or other amounts due on our current or future Indebtedness, whether created, incurred, assumed, guaranteed or in effect guaranteed by us, including any deferrals, renewals, extensions, refundings, amendments, modifications or supplements to the above. However, Senior Indebtedness does not include: (i) Indebtedness that expressly provides that it shall not be senior in right of payment to the Notes or expressly provides that it is on the same basis or junior to the Notes; (ii) our indebtedness to any of our majority-owned subsidiaries; and (iii) the Notes.

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Upon the liquidation, dissolution, winding up or reorganization of the Company, the Company must pay to the holders of all senior indebtedness the full amounts of principal of, premium, interest and additional amounts on, that Senior Indebtedness before any payment is made on the Notes. If, after we have made those payments on our Senior Indebtedness there are amounts available for payment on the Notes, then we may make any payment on the Notes. Because of the subordination provisions and the obligation to pay Senior Indebtedness described above, in the event of insolvency of the Company, holders of the Notes may recover less ratably than holders of Senior Indebtedness and other creditors of the Company. With respect to the assets of a subsidiary of ours, our creditors (including holders of the Notes) are structurally subordinated to the prior claims of creditors of such subsidiary, except to the extent that we may be a creditor with recognized claims against such subsidiary.

The Notes Are Intended to Qualify as Tier 2 Capital

We intend to treat the Notes as Tier 2 capital under the capital rules established by the Federal Reserve Board for bank holding companies and the guidelines of the Federal Reserve Board for bank holding companies under the Basel III framework. The rules set forth specific criteria for instruments to qualify as Tier 2 capital. Among other things, the Notes must:

- be unsecured;
- have a minimum original maturity of at least five years;
- be subordinated to depositors and general creditors, which, in our case, will be to the holders of our Senior Indebtedness;
- not contain provisions permitting the holders of the Notes to accelerate payment of principal prior to maturity except in the event of receivership, insolvency, liquidation or similar proceedings of the institution; and
- not contain provisions permitting the institution to redeem or repurchase the notes prior to the maturity date without prior approval of the Federal Reserve Board, except upon the occurrence of certain special events.

Events of Default; Limitation on Suits

An “event of default” means, with respect to the Notes, any of the following:

- default in the payment of any interest upon the Notes when it becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by us with the Trustee or with a paying agent under the Indenture prior to the expiration of the 30-day period);
- default in the payment of principal of or premium on the Notes when due and payable;
- default in the performance or breach of any other covenant or warranty by us in the Indenture (other than a covenant or warranty that has been included in the Indenture solely for the benefit of a series of debt securities other than the Notes), which default continues uncured for a period of 60 days after we receive written notice from the Trustee, or we and the Trustee receive written notice from the holders of not less than 25% of the principal amount of the then-outstanding Notes;
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certain events of bankruptcy, insolvency or reorganization of the Company; and

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default under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company or the Bank having an aggregate principal amount outstanding of at least $25,000,000, or under any mortgage, indenture or instrument.

Neither the Trustee nor the holders of the Notes will have the right to accelerate the maturity of the Notes in the case of our failure to pay the principal of, or interest on, the Notes or our nonperformance of any other covenant or warranty under the Notes or the Indenture. Nevertheless, during the continuation of such an event of default under the Notes, the Trustee may, subject to certain limitations and conditions, seek to enforce its rights and the rights of the holders of Notes to regularly scheduled payments of interest

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and the payment of principal at the scheduled maturity of the Notes, as well as the performance of any covenant or agreement in the Indenture. Any such rights to receive payment of such amounts under the Notes remain subject to the subordination provisions of the Notes as discussed above under "— Ranking."

If an insolvency event of default occurs and is continuing, the principal amount and accrued and unpaid interest on the Notes shall become immediately due and payable, without the need for any action on the part of the holders of the Notes or the Trustee, subject to the broad equity powers of a federal bankruptcy court and the determination by that court of the nature and status of the payment claims of the holders of the Notes. At any time after acceleration with respect to the Notes has occurred, but before a judgment or decree for payment of the money due has been obtained, the holders of a majority in aggregate principal amount of outstanding Notes of the series of our subordinated Notes which the Notes are a part and other affected series of securities issued under the Indenture, voting as one class, may waive all defaults and rescind and annul any acceleration occurring as to any and all securities of such series, including the Notes, but only if (1) we have paid or deposited with the Trustee a sum of money sufficient (a) to pay to the holders of the outstanding securities of all affected series of securities established under the Indenture, including the Notes, (i) all overdue installments of any interest that have become due otherwise than by such declaration of acceleration, (ii) the principal of and any premium that have become due otherwise than by such declaration of acceleration and, to the extent permitted by applicable law, interest thereon at the rate of interest borne by the Notes and (iii) to the extent permitted by applicable law, interest upon installments of any interest, if any, that have become due otherwise than by such declaration of acceleration at the rate of interest borne by the Notes, and (b) to pay all sums paid or advanced by the Trustee under the Indenture and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other amounts due the Trustee; and (2) all events of default with respect to the Notes other than the nonpayment of the principal of, or any premium and interest on, the Notes that shall have become due solely by such acceleration, shall have been cured or waived as provided in the Indenture. Even in the event of an acceleration of the maturity of the Notes upon the occurrence of an insolvency event, the rights of the holders of the Notes to receive payment of the principal of, and accrued and unpaid interest on, the Notes remain subject to the subordination provisions of the Notes as discussed above under "— Ranking."

The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of outstanding Notes, unless the Trustee receives indemnity satisfactory to it against any loss, liability or expense. Subject to certain rights of the Trustee, the holders of a majority in principal amount of the then-outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Notes.

No holder of any Notes will have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture or for the appointment of a receiver or Trustee, or for any remedy under the Indenture, unless:

- that holder has previously given to the Trustee written notice of a continuing event of default with respect to the Notes; and
- the holders of at least 25% of the principal amount of the then-outstanding Notes have made written request, and offered reasonable indemnity, to the Trustee to institute the proceeding as Trustee, and the Trustee has not received from the holders of a majority in principal amount of the then-outstanding Notes a direction inconsistent with that request and has failed to institute the proceeding within 60 days.

Notwithstanding the foregoing, the holder of any Notes will have an absolute and unconditional right to receive payment of the principal of, premium and any interest on such Notes on or after the due dates expressed in such Notes and to institute suit for the enforcement of such payment.

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Amendments and Waivers

Provided that such amendment or supplement does not have a material and adverse effect on the rights, preferences or privileges of the Trustee and/or the holders of the Notes, United and the Trustee may, without the consent of the holders of the Notes, amend or supplement the Indenture or such Notes under the Indenture to:

- cure any ambiguity, defect or inconsistency;
- comply with the provisions of the Indenture with respect to the substitution of a successor corporation to the rights and obligations of United under the Indenture;
- provide for uncertificated securities in addition to or in place of certificated securities;
- make any change that does not adversely affect the rights of any holder of such Notes;
- provide for the issuance of and establish the form and terms and conditions of debt securities of any series as permitted by the Indenture;
- evidence and provide for the acceptance of appointment under the Indenture by a successor trustee with respect to the debt securities of one or more series and to add to or change any of the provisions of the Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Indenture by more than one trustee; or
- comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act of 1939.

Except as set forth below, the Company and the Trustee may enter into a supplemental indenture with the written consent of the holders of at least a majority in principal amount of the outstanding Notes for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or of modifying in any manner the rights of the holders of the Notes.

Notwithstanding the foregoing, without the consent of each holder of Notes, an amendment or waiver with respect to the Indenture may not:

- reduce the amount of debt securities whose holders must consent to an amendment, supplement or waiver;
- reduce the rate of or extend the time for payment of interest (including default interest) on any security;
- reduce the principal or change the stated maturity of any security or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation;
- reduce the principal amount of discount debt securities payable upon acceleration of the maturity thereof;
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waive a default or event of default in the payment of the principal of or interest, if any, on any debt security;

- make the principal of or interest, if any, on any debt security payable in any currency other than that stated in the security;

- make any change to the Indenture concerning the holders of the Notes' unconditional right to receive principal and interest or waiver of past defaults; or

- waive a redemption payment with respect to any security.

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Satisfaction and Discharge

The Indenture will cease to be of further effect as to the Notes when:

- either (A) all of the Notes theretofore authenticated and delivered (other than Notes that have been destroyed, lost or stolen and that have been replaced or paid) have been delivered to the Trustee for cancellation; or (B) all of the Notes not theretofore delivered to the Trustee for cancellation (1) have become due and payable, (2) will become due and payable at their stated maturity within one year, or (3) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of United, and United has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust an amount sufficient for the purpose of paying and discharging the entire indebtedness on such Notes not theretofore delivered to the Trustee for cancellation, for principal and interest to the date of such deposit (in the case of such Notes which have become due and payable on or prior to the date of such deposit) or to the stated maturity or redemption date, as the case may be;

- United has paid or caused to be paid all other sums payable under the Indenture by United; and

- United has delivered to the Trustee an officers’ certificate and an opinion of counsel, each stating that all conditions precedent provided for in the Indenture relating to the satisfaction and discharge of the Indenture with respect to the Notes have been complied with.

CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material U.S. federal income tax considerations related to the acquisition, ownership and disposition of the Notes we are offering. It is not a complete analysis of all the potential tax considerations relating to the Notes. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and regulations promulgated thereunder (the "Treasury Regulations"), and rulings and judicial decisions. These authorities may be changed, perhaps with retroactive effect, so as to result in U.S. federal income tax consequences different from those set forth below. There can be no assurance that the Internal Revenue Service (the "IRS") will not challenge one or more of the tax consequences described herein, and we have not sought any ruling from the IRS with respect to statements made and conclusions reached in this discussion, and there can be no assurance that the IRS will agree with such statements and conclusions.

This summary is limited to persons that purchase the Notes upon their initial issuance at their "issue price" (i.e., the first price at which a substantial amount of the Notes is sold for cash to investors (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity as underwriters, placement agents or wholesalers)) and that will hold the Notes as capital assets (generally, property held for investment) for U.S. federal income tax purposes. This summary does not address the tax considerations arising under the laws of any foreign, state or local jurisdiction. In addition, this discussion does not address all U.S. federal income tax considerations that may be applicable to holders' particular circumstances or to holders that may be subject to special tax rules, such as, for example:

- holders subject to the alternative minimum tax;
- cooperatives;
- foreign persons or entities (except to the extent set forth below);
- banks, insurance companies, or other financial institutions;
- regulated investment companies;
- real estate investment trusts;
- tax-exempt organizations;
- brokers and dealers in securities or commodities;
- U.S. expatriates;
- certain former citizens and long-term residents of the United States;
- traders in securities that elect to use a mark-to-market method of tax accounting for their securities holdings;

- United States holders (as defined below) whose functional currency is not the United States dollar;
- persons that will hold the Notes as a position in a hedging transaction, straddle, conversion transaction or other risk reduction transaction;
- persons deemed to sell the Notes under the constructive sale provisions of the Code; or
- entities or arrangements classified as partnerships for U.S. federal income tax purposes or other pass-through entities, or investors in such entities that hold the Notes.

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If you are an entity or arrangement classified as a partnership for U.S. federal income tax purposes that will hold the Notes or a partner of such a partnership, you are urged to consult your tax advisor regarding the tax consequences of holding the Notes to you.

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This summary of material U.S. federal income tax considerations is for general information only and is not tax advice. You are urged to consult your tax advisor with respect to the application of U.S. federal income tax laws to your particular situation as well as any tax considerations arising under other U.S. federal tax laws (such as the estate or gift tax laws) or under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty.

Classification of the Notes

Generally, the determination of whether an obligation represents debt, equity, or some other instrument for U.S. federal income tax purposes is based on all the relevant facts and circumstances and no single factor is determinative. Because of their level of subordination and the holders' rights in the event of a default, the characterization of the Notes as debt or equity for U.S. federal income tax purposes is uncertain.

We intend to treat the Notes as indebtedness for U.S. federal income tax purposes, although no opinions have been sought, and no assurances can be given, with respect to such treatment. Also, no rulings will be sought from the IRS regarding the characterization of the Notes. The following discussion assumes that our treatment of the Notes as indebtedness for U.S. federal income tax purposes will be respected. If the treatment of the Notes as indebtedness is not upheld, they may be treated, for U.S. federal income tax purposes, as stock in United.

Each holder should consult its own tax advisor about the proper characterization of the Notes for U.S. federal income tax purposes. Notwithstanding the foregoing, by purchasing the Notes, you agree to treat them as debt for U.S. federal income tax purposes.

United States Holders

This subsection describes the tax considerations for a U.S. holder. You are a U.S. holder if you are a beneficial owner of the Notes and you are:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (1) if a court within the United States is able to exercise primary supervision over its administration and one or more United States persons (as defined in the Code) have the authority to control all of its substantial decisions, or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Interest. As a general rule, interest paid or accrued on the Notes will be treated as ordinary income to U.S. holders. A U.S. holder using the accrual method of accounting for U.S. federal income tax purposes must include interest on the Notes in income as the interest accrues, while a U.S. holder using the cash receipts and disbursements method of accounting for U.S. federal income tax purposes must include interest in income when payments are received or constructively received by the holder, except as described in the following paragraph.

Pursuant to the Treasury Regulations issued under Sections 1271 through 1275 of the Code, the Notes will be treated as "variable rate debt instruments" that provide for a single fixed rate followed by a qualified floating rate ("QFR") for U.S. federal income tax purposes. Under the Treasury Regulations, solely for the purpose of determining the amount (if any) of original issue discount ("OID") on the Notes, the initial fixed rate is converted to a QFR (the "replaced QFR"). The replaced QFR must be such that the fair market value of the Notes on the issue date is approximately the same as the fair market value of otherwise identical notes that provide for the replaced QFR (rather than the fixed rate) for the initial period. In determining any OID on the Notes, the Notes must then be converted into "equivalent" fixed rate debt instruments by substituting each QFR provided under the terms of the Notes (including the replaced QFR) with a fixed rate equal to the value of the QFR on the issue date of the Notes. The application of the

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Treasury Regulations to the Notes is complicated and could potentially result in the existence of OID with respect to the Notes. In the event the Notes were treated as issued with OID, the amount and timing of interest income with respect to the Notes would be affected. Specifically, a U.S. Holder generally will be required to include such OID in gross income as ordinary interest income in advance of the receipt of cash attributable to that income and regardless of such holder's regular method of tax accounting. Such OID would be included in gross income for each day during each taxable year in which the Note is held using a constant yield-to-maturity method that reflects the compounding of interest. However, we intend to set the rate for the fixed-rate period and the floating-rate period under the Notes in a manner that will satisfy the tests under the Treasury Regulations in order to avoid the existence of OID under the Notes upon issuance. Thus, it is expected, and assumed for purposes of this discussion, that the Notes will not be issued with OID and we intend to treat the Notes in a manner consistent with this assumption. Holders should consult their tax advisors with respect to this issue.

Sale, exchange, redemption, retirement or other taxable disposition of the Notes.   Upon the sale, exchange, redemption, retirement or other taxable disposition of a Note, you will recognize taxable gain or loss equal to the difference between the amount realized on such disposition (except to the extent any amount realized is attributable to accrued but unpaid interest, which, if not previously included in income, will be treated as interest as described above) and your adjusted tax basis in the Note. Your adjusted tax basis in a Note generally will be its cost. Gain or loss recognized on the disposition of a Note generally will be capital gain or loss, and will be long-term capital gain or loss if, at the time of such disposition, your holding period for the Note is more than one year. Long-term capital gains of non-corporate taxpayers generally are eligible for preferential rates of taxation. The deductibility of capital losses is subject to certain limitations.

If a U.S. holder disposes of its Notes before the record date for a payment, such U.S. holder will have to treat a portion of its proceeds from the disposition as ordinary income for U.S. federal income tax purposes in an amount equal to the accrued but unpaid interest on its Notes (to the event such amounts have not previously been included in income). Because the Notes may trade at prices that do not fully reflect the value of accrued but unpaid interest thereon, upon a sale of the Notes before a record date for payment, a U.S. holder may recognize a capital loss to the extent the amount such holder receives for the Notes does not reflect the total amount of accrued and unpaid interest thereon. In such event, because of the limitations imposed under U.S. federal income tax law on the use of capital losses to offset ordinary income, a U.S. holder generally may not be able to apply the capital losses recognized from the sale of the Notes to offset all or a portion of any ordinary income recognized by such holder with respect to the sale of the Notes that is attributable to such holder's accrued but unpaid interest on the sold Notes, other than in the case of individuals who are permitted to offset a de minimis amount of ordinary income with capital losses.

Medicare tax.   Certain U.S. holders that are individuals, estates or trusts and whose income exceeds certain thresholds generally will be subject to an additional 3.8% Medicare tax on their "net investment income," which generally will include any interest income or gain recognized by such U.S. holders with respect to the Notes, unless such interest income or net gains are derived in the ordinary course of the conduce of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a U.S. holder who is an individual, estate or trust, you are urged to consult your own tax advisor regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the Notes.

Information reporting and backup withholding.   In general, information reporting requirements will apply to payments of interest and the proceeds of certain sales and other taxable dispositions (including retirements) of the Notes unless you are an exempt recipient (such as a corporation). Backup withholding (at a rate of 28%) generally will apply to such payments if you fail to provide your taxpayer identification number or certification of exempt status or have been notified by the IRS that payments to you are subject to backup withholding. Backup withholding is not an additional tax.

Any amounts withheld under the backup withholding rules generally will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that you furnish the required information to the IRS on a timely basis.

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