

Indicative Term Sheet

Das Term Sheet dient lediglich als Kurzübersicht der Economics des Produkts. Rechtlich sind für das Angebot allein die Endgültigen Bedingungen, die zusammen mit dem Basisprospekt zu lesen sind, maßgeblich. Eine ausführliche Beschreibung der Angebotsbedingungen und der produktspezifischen Risikofaktoren finden Sie ausschließlich in den Endgültigen Bedingungen/Basisprospekt.

The term sheet is only informative and provides for a short summary of the economics of the product. It is the final terms that are authoritative for the offer, which are to be read in conjunction with the base prospectus. You can find a full disclosure of the terms and conditions of the offer and the product specific risk factors only in the final terms/base prospectus.

3 Star Bonus Anleihe

Instrument Type	Equity Linked Note																								
Issuer	J.P. Morgan Structured Products B.V.																								
Guarantor	JPMorgan Chase Bank, N.A.																								
Dealer	J.P. Morgan Securities Ltd.																								
Calculation Agent	J.P. Morgan Securities Ltd.																								
Fiscal and Paying Agent	BNP Paribas Securities Services																								
Documentation:	Structured EMTN Programme																								
Public Offer Date	DE: 7 October 2008 AT: 8 October 2008																								
Subscription Period	20 October 2008 – 14 November 2008 (1pm Frankfurt time)																								
Trade Date	17 November 2008																								
Strike Fixing Date	14 November 2008, subject to postponement in accordance with the terms and conditions																								
Issue Date	19 November 2008																								
Final Valuation Date	13 November 2009, subject to postponement in accordance with the terms and conditions																								
Maturity Date	20 November 2009, subject to following business day convention																								
Underlying i	<table><tr><th>i</th><th>Underlying Shares i</th><th>Bloomberg Code</th><th>Index i Initial</th><th>Barrier</th><th>Reference Exchange</th></tr><tr><td>1</td><td>Lufthansa AG</td><td>LHA GY <Equity></td><td></td><td></td><td>Xetra</td></tr><tr><td>2</td><td>ThyssenKrupp AG</td><td>TKA GY <Equity></td><td></td><td></td><td>Xetra</td></tr><tr><td>3</td><td>Porsche Automobil Holding SE</td><td>PAH3 GY <Equity></td><td></td><td></td><td>Xetra</td></tr></table>	i	Underlying Shares i	Bloomberg Code	Index i Initial	Barrier	Reference Exchange	1	Lufthansa AG	LHA GY <Equity>			Xetra	2	ThyssenKrupp AG	TKA GY <Equity>			Xetra	3	Porsche Automobil Holding SE	PAH3 GY <Equity>			Xetra
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Barrier (daily observation)	65% of Share ⁱ _{Initial}																								
Bonus	110%																								
Denominated Currency	EUR																								
Denomination (“DN”)	EUR 1000 per Note																								
Number of Notes	Up to 10,000 Notes (up to EUR 10 m)																								
Notional Amount	up to EUR 10 m																								
Issue Price	100% of Denomination (% quotation)																								
Agio	1%																								
Observation Period	From and excluding Strike Fixing Date up to and including Final Valuation Date (daily observation)																								
Redemption at Maturity	If the Reference Price i of none of the Underlying i has ever traded below the Barrier, the Redemption amount will be calculated by the Calculation Agent as follows: EUR 1000× Bonus per Note																								

Otherwise, the Redemption amount will be:

EUR 950 per Note

Minimum Trading Unit	1 Note and multiple of 1 thereafter
Listing	Application will be made to list on Börse Stuttgart/ Freiverkehr (EUWAX) and Börse Frankfurt/ Freiverkehr (SCOACH)
Reference Price	The official closing price of the Underlying as published by the Reference Exchanges and determined by the Calculation Agent.
Relevant Clearing System	Clearstream Frankfurt
WKN	JPM9UV
ISIN Code	DE000JPM9UV1
Selling Restrictions	UK, US, EEA
Governing Law	German Law
Jurisdiction	Germany, Austria

Related Documentation

This term sheet must be read in conjunction with the Structured EMTN Programme Base Prospectus dated 17 June 2008 (the "Base Prospectus") (as may be further supplemented up to and including the Issue Date) together with the corresponding Final Terms for this specific issue of securities.

Risk Factors

Investing in the securities involve a number of risks. See "Risk Factors" as set out in the Structured EMTN Base Prospectus (as may be further supplemented up to and including the Issue Date) and the Final Terms prepared in respect of these securities. Copies of all of these documents will be available free of charge, during normal business hours on any weekday (Saturdays and public holidays excepted) at the office of the Fiscal Agent in Frankfurt, BNP Paribas Securities Services, Grüneburgweg 14, 60322 Frankfurt am Main, Germany or on the website <http://www.jporgansp.com>

Issue Price

The Issue Price may be more than the market value of the securities as at the Issue Date, and the price, if any, at which J.P. Morgan Securities Ltd. ("JPMSL") or any other person is willing to purchase the securities in secondary market transactions, is likely to be lower than the Issue Price. In particular, the Issue Price may take into account amounts with respect to commissions relating to the issue and sale of the securities as well as amounts relating to the hedging of the Issuer's obligations under the securities, and secondary market prices may exclude such amounts. In addition, whilst the proprietary pricing models of JPMSL are based on well recognised financial principles, other market participants' pricing models may differ or produce a different result.

Market Maker

J.P. Morgan Securities Ltd. ("JPMSL") intends to act as market maker in relation to the above securities and, subject to the conditions specified below, it will use commercially reasonable efforts to provide indicative bid and offer prices on a daily basis. Any such prices shall be determined in JPMSL's sole discretion and shall be subject to prevailing circumstances and no adverse change in market conditions. Accordingly, although JPMSL intends to act as market maker, this is not a commitment to purchase any security at a particular time or price and JPMSL may suspend or terminate market making at any time, at its own discretion and without notice to holders of securities.

Current Market Practice

Information herein reflects current market practices and is not intended to constitute legal, tax, or accounting advice; clients should consult their own advisors on such matters. Additional information is available on request. This document is being submitted to selected recipients only. It is provided on the basis that it may not be reproduced, in whole or in part, to any other person without the prior written permission of JPMorgan. Although the information in this document has been prepared in good faith from sources which JPMorgan believes to be reliable we do not represent or warrant its accuracy and such information may be incomplete or condensed. Opinions and estimates constitute our judgment and are subject to change without notice. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. JPMorgan may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer. Transactions should be executed through a JPMorgan entity qualified in the client's home jurisdiction unless governing law permits execution elsewhere. This

JPMorgan Equity Derivatives
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www.jporgansp.com

J.P.Morgan

* This number is not addressed to any US-persons and must not be dialled by a US-person. 0.06 Euro per call from a German landline.

termsheet is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments should be made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. JPMorgan does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser.

FSA Authorisation

J. P. Morgan Securities Ltd. is authorised by the Financial Services Authority in the United Kingdom. References herein to "JPMorgan" shall mean J. P. Morgan Chase & Co. or any of its affiliates or subsidiaries including, but without limitation to the generality of the foregoing, J. P. Morgan Securities Ltd.

J.P. Morgan Securities Ltd.

In connection with any offer, sale and issuance of the securities referred to in this Term Sheet, J.P. Morgan Securities Ltd. is acting as principal and not as agent of the proposed issuer of such securities. Any agreement to issue securities shall be subject to approval by the proposed issuer of the securities (or such other issuer as may be approved by you) of the terms of the securities as set out in the final terms relating to those securities.

U.S. Selling Restrictions

The financial instruments discussed herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Act"), and may not be at any time offered, sold pledged, assigned, delivered, transferred, exchanged, exercised or redeemed within the United States or to or for the account or benefit of any U.S. person (as defined in the act or the U.S. internal Revenue Code of 1986, as amended). The financial Instruments are being offered and sold outside the United States to non-U.S. persons in reliance on regulation S under the Act and may not be legally or beneficially owned at any time by any U.S. person.

WARNING NOTICE - European Economic Area - EU Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), you represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") **YOU HAVE NOT MADE AND WILL NOT MAKE AN OFFER OF THESE SECURITIES TO THE PUBLIC IN THAT RELEVANT MEMBER STATE** except that you may, with effect from and including the Relevant Implementation Date, make an offer of these securities to the public in that Relevant Member State:

(a) if the final terms in relation to these securities specify that an offer of these securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to these securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

(b) to legal entities acting for own account and not with a view to resale which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities for own account and not with a view to resale;

(c) to any legal entity acting for own account and not with a view to resale which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000 and (3) an annual net turnover of more than EUR 50,000,000 as shown in its last annual or consolidated accounts;

(d) to fewer than 100 natural or legal persons per Member State (other than qualified investors as defined in the Prospectus Directive); or

(e) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3(2) of the Prospectus Directive,

provided that no such offer of securities referred to in (b) to (e) above shall require us or the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of securities to the public" in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that

Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Structured Investments Distributor Terms of Business

To the extent that the purchaser purchasing these securities for distribution to third parties or, if applicable, introducing broker of these securities, has not signed the Structured Investments Distributor Terms of Business of J.P. Morgan Securities Ltd ("Terms of Business") or a distribution agreement with J. P. Morgan Securities Ltd, the Terms of Business sent to the purchaser or introducing broker shall form part of all agreements between J.P. Morgan Securities Ltd. and the purchaser or introducing broker, including but not limited to, its obligations owed to J. P. Morgan Securities Ltd. and its affiliates and its covenant to indemnify J. P. Morgan Securities Ltd. and its affiliates for any losses incurred as a result of any failure by it to comply with its obligations, duties and representations thereunder, and that the purchase and distribution of such securities are subject to the Terms of Business (copies of the Terms of Business may be obtained on request and, in any event, have been sent to such purchaser or introducing broker by registered mail).

Disclosure of Commission or Fees

The purchaser or, if applicable, introducing broker of these securities acknowledges and agrees that it shall fully disclose to its clients the existence, nature and amount of any commission or fee paid or payable to it by JPMorgan (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to it, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (2004/39/EC) (MiFID), or as otherwise may apply in any non-EEA jurisdictions.