

J.P.Morgan

J.P. Morgan Structured Products B.V.
(incorporated with limited liability in The Netherlands)

as Issuer

J.P. Morgan Bank Dublin plc
(incorporated with limited liability in Ireland)

as Issuer

J.P. Morgan Indies SRL
(incorporated as a society with restricted liability in Barbados)

as Issuer

JPMorgan Chase Bank, N.A.
(a national banking association organised under the laws of the United States of America)

as Issuer and as Guarantor in respect of Securities
issued by
J.P. Morgan Structured Products B.V.

JPMorgan Chase & Co.
(incorporated in the State of Delaware, United States of America)

as Issuer and as Guarantor in respect of Securities
issued by
J.P. Morgan Bank Dublin plc and J.P. Morgan Indies SRL

Structured Products Programme for the issuance

of

Notes, Warrants and Certificates

Arranger and Dealer for the Programme

J.P. Morgan

Structured Products Programme for the issuance of Notes, Warrants and Certificates

This document (this "**Base Prospectus**") constitutes five base prospectuses for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**"): (i) a base prospectus relating to issues of non-equity securities under the Structured Products Programme for the issuance of Notes, Warrants and Certificates described in this Base Prospectus (the "**Programme**") by J.P. Morgan Structured Products B.V. ("**JPMSP**"), (ii) a base prospectus relating to issues of non-equity securities by J.P. Morgan Bank Dublin plc ("**JPMBD**") under the Programme, (iii) a base prospectus relating to issues of non-equity securities by J.P. Morgan Indies SRL ("**JPMI**") under the Programme, (iv) a base prospectus relating to issues of non-equity securities by JPMorgan Chase Bank, N.A. under the Programme and (v) a base prospectus relating to issues of non-equity securities by JPMorgan Chase & Co. under the Programme, in each case including non-equity securities with a denomination per unit of less than EUR 50,000, save for in the case of JPMI which shall only issue securities with a denomination of at least EUR 50,000. For the purposes of this Base Prospectus "**non-equity securities**" has the meaning given to it in Article 22 no. 6(4) of the Commission Regulation (EC) no. 809/2004 of 29 April 2004.

JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A., and JPMorgan Chase & Co. (each, in its capacity as an issuer, an "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes or other similar instruments ("**Notes**"), warrants or other similar instruments ("**Warrants**") and certificates or other similar instruments ("**Certificates**") under the Programme. Notes, Warrants and Certificates shall be referred to collectively as "**Securities**" in this Base Prospectus. Securities issued by JPMSP will be guaranteed (the "**JPMorgan Chase Bank, N.A. Guarantee**") by JPMorgan Chase Bank, N.A. (in such capacity, a "**Guarantor**"). Securities issued by JPMBD and by JPMI will be guaranteed (the "**JPMorgan Chase & Co. Guarantee**") by JPMorgan Chase & Co. (in such capacity, a "**Guarantor**"). Securities issued by JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. shall not be the subject of a guarantee. JPMorgan Chase Bank, N.A. may issue Securities through one or more of its non-U.S. branches.

The Securities are unsecured and unsubordinated general obligations of the relevant Issuer and not of any affiliate of that Issuer.

The JPMorgan Chase Bank, N.A. Guarantee is an unsecured and unsubordinated general obligation of JPMorgan Chase Bank, N.A. and not of any of its affiliates.

The JPMorgan Chase & Co. Guarantee is an unsecured and unsubordinated general obligation of JPMorgan Chase & Co. and not of any of its affiliates.

The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee: (i) are not savings accounts or deposits of JPMorgan Chase Bank, N.A. or any bank or non-bank subsidiary of JPMorgan Chase Bank, N.A.; and (ii) will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A. except obligations, including U.S. domestic deposits of JPMorgan Chase Bank, N.A., that are subject to any priorities or preferences by law.

The Securities issued by JPMorgan Chase & Co. and the JPMorgan Chase & Co. Guarantee: (i) are not savings accounts or deposits of or any bank or non-bank subsidiary of JPMorgan Chase & Co., and (ii) will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase & Co., except obligations that are subject to any priorities or preferences by law.

None of the Securities, the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee is a deposit insured by the U.S. Federal Deposit Insurance Corporation (the "FDIC"), the U.S. Deposit Insurance Fund or any other governmental agency or instrumentality.

The aggregate nominal amount of Notes outstanding under the Programme (whether issued by JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co.) will not at any time exceed U.S.\$50,000,000,000 (or the equivalent in other currencies). There is no limit on the amount of Certificates or Warrants which may be outstanding.

SEE THE SECTION ENTITLED "RISK FACTORS" ON PAGES 23 TO 56 FOR CERTAIN INFORMATION THAT SHOULD BE CONSIDERED BY INVESTORS IN SECURITIES.

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IMPORTANT NOTICES

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (THE "RSA") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Each of the Responsible Persons accepts responsibility for the information given in this Base Prospectus and confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import. In relation to any Securities which are listed on the SIX Swiss Exchange, each of the Responsible Persons confirms that the information contained in this Base Prospectus is, to the best of its knowledge, correct, and that no material facts or circumstances have been omitted from this Base Prospectus. **"Responsible Persons"** means: (i) in relation to Securities issued by JPMSP, JPMSP and JPMorgan Chase Bank, N.A. as Guarantor, (ii) in relation to Securities issued by JPMBD, JPMBD and JPMorgan Chase & Co. as Guarantor, (iii) in relation to Securities issued by JPMI, JPMI and JPMorgan Chase & Co. as Guarantor, (iv) in relation to Securities issued by JPMorgan Chase Bank, N.A., JPMorgan Chase Bank, N.A., and (v) in relation to Securities issued by JPMorgan Chase & Co., JPMorgan Chase & Co..

Notwithstanding the above paragraph or anything else in this Base Prospectus, none of the Issuers or Guarantors (if any) will accept responsibility for the information given in this Base Prospectus or any relevant Final Terms in relation to offers of Securities made by an offeror not authorised by the relevant Issuer and Guarantor (if any) to make such offers. Generally, each person named as "Dealer" or "Manager" and any party named as a "Distributor" or other "placer" in the relevant Final Terms will be so authorised, but any other party generally will not. Investors should therefore enquire whether the relevant offeror is so authorised by the relevant Issuer and Guarantor (if any) and, if it is not, an investor should be aware that none of the Issuers or Guarantors will be responsible for this Base Prospectus or relevant Final Terms for the purposes of the relevant securities laws in the context of the offer of the Securities to the public. Further, whether or not the relevant offeror has been so authorised, no person is authorised to give any information or to make any representation not contained in, or not consistent with, this Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the relevant Issuer and Guarantor (if any). If an investor is in any doubt about whether it can rely on this Base Prospectus and relevant Final Terms and/or who is responsible for the contents thereof it should take legal advice.

An investment in Securities is subject to a very high degree of complex risks which may arise without warning. Securities may at times be volatile and losses may occur quickly and in unanticipated magnitude. Securities are extremely speculative and investors bear the risk that they could lose all of their investment. No person should acquire any Securities unless that person understands the nature of the relevant transaction and the extent of that person's exposure to

potential loss and any investment in such Securities is consistent with such person's overall investment strategy. Each investor in the Securities should consider carefully whether the Securities it considers acquiring are suitable for it in the light of such investor's investment objectives, financial capabilities and expertise. Investors in the Securities should consult their own business, financial, investment, legal, accounting, regulatory, tax and other professional advisers to assist them in determining the suitability of the Securities for them as an investment. See the section entitled "Risk Factors".

No person has been authorised to give any information or to make any representation other than as contained in this Base Prospectus in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the relevant Issuer, JPMorgan Chase Bank, N.A., as a Guarantor under the JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP, JPMorgan Chase & Co. as a Guarantor under the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD and by JPML, or any of the Dealers or J.P. Morgan Securities Ltd. as arranger (the "Arranger"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the relevant Issuer or the relevant Guarantor (if any) since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the relevant Issuer or the relevant Guarantor (if any), since the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuers, the Guarantors, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The publication of this Base Prospectus is not intended as an offer or solicitation for the purchase or sale of any financial instrument in any jurisdiction where such offer or solicitation would violate the laws of such jurisdiction. The Securities, the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and trading in the Securities has not been approved by the United States Commodity Futures Trading Commission ("CFTC") under the U.S. Commodity Exchange Act, as amended ("CEA") and include Securities in bearer form (or securities exchangeable into definitive securities in bearer form) that are subject to U.S. tax law, rules and requirements. Securities may not be offered, sold, transferred, pledged, assigned, delivered or redeemed within the United States or to or for the account or benefit of any U.S. Person except in accordance with Rule 144A under the Securities Act ("Rule 144A") and in reliance upon the relevant exemptions from state securities laws and any other applicable laws of other jurisdictions. The Securities are being offered and sold only to non-U.S. Persons in offshore transactions and to qualified institutional buyers ("QIBs") (as defined in Rule 144A under the Securities Act) that are also Eligible Investors at the time of sale in other respects in reliance on Rule 144A under the Securities Act. Investors are hereby notified that sellers of the Securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. None of JPMSP and JPMBD has registered, nor intends to register, as an investment company under the Investment Company Act. JPMSP and JPMBD intend to rely on the exemption from registration as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act") afforded by Section 3(c)(7) of the Investment Company Act. In order to rely on such exemption, JPMSP and JPMBD are required to limit the purchase of Securities issued by JPMSP and JPMBD to qualified purchasers ("QP") (as defined in Section 2(a)(51) and related rules of the Investment Company Act). If a legal or beneficial owner of a Security is a U.S. Person and (i) not a QIB, (ii) not a QP in relation to Securities issued by JPMSP or JPMBD, (iii) not an Eligible Contract Participant ("ECP") (as defined in Section 1(a)(12) of the CEA), (iv) in relation to Securities issued by JPMSP or JPMBD, neither (a) a major U.S. institutional investor ("MUSIV") (as defined in Rule 15a-6(b)(4) under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act")) nor, (b) a Qualified Offshore Client (as defined in the General Conditions) or (v) (a) in the case of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates, has not remained in compliance with the provisions of the relevant

Investor Letter of Representations at the time of any acquisition thereof in a transaction to or through the relevant Issuer or the Dealer and (b) in the case of Rule 144A Notes represented by a Global Security has not remained in compliance with the representations such beneficial holder is deemed to have made, the relevant Issuer may redeem any such Securities acquired by such legal or beneficial owner or void any transfer of such Securities to such legal or beneficial owner pursuant to the General Conditions and the Programme Agreement. For a description of certain additional restrictions on offers and sales of the Securities and on distribution of this Base Prospectus and the relevant Final Terms, see the sections entitled "Subscription and Sale" and "U.S. Transfer Restrictions for Rule 144A Securities". The Securities, other than Rule 144A Securities, are being offered and sold outside the United States to non-U.S. Persons in reliance on the registration exemptions contained in Regulation S.

Securities that are exchangeable into definitive securities in bearer form (including Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes), and Finnish Notes and Swedish Notes) will be issued in compliance with United States Treasury regulation section 1.163-5(c)(2)(i)(D) (the "TEFRA D Rules") unless the Securities are issued in circumstances in which the Securities will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), which circumstances will be referred to in the relevant Final Terms as a transaction to which the TEFRA D Rules are not applicable.

"Bearer Securities Registered for U.S. Tax Purposes" means French Bearer Securities and German Securities issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. in respect of which "Holders Request" is specified to be not applicable in accordance with General Condition 1.1(c)(iii)(A).

Securities in bearer form and registered securities that are exchangeable into definitive securities in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the regulations promulgated thereunder.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of Securities which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Securities may only do so (i) in circumstances in which no obligation arises for the Issuer or the Dealers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer 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 and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made on or prior to the date specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor the Dealers have authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer or the Dealers to publish or supplement a prospectus for such offer.

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Arranger or the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. This Base Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, the Guarantors, the Arranger or the Dealers that any recipient of this Base Prospectus should purchase the Securities. Each investor in Securities should determine for himself or

herself the relevance of the information contained in this Base Prospectus and any purchase of Securities should be based upon such investigation as such investor deems necessary. None of the Arranger or the Dealers undertakes to review the financial condition or affairs of any of the Issuers or the Guarantors during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Dealers or the Arranger.

In particular, none of JPMorgan Chase & Co. or any of its consolidated subsidiaries (a "J.P. Morgan affiliate") accepts responsibility in respect of the accuracy or completeness of the information set forth in the relevant Final Terms concerning the Reference Assets or makes any representation that there has not occurred any event which would affect the accuracy or completeness of such information. Further, the relevant Final Terms may include tables showing the high and low levels or prices (as applicable) of the Reference Assets (if any) for the periods indicated. While such tables provide some historical data regarding the risks of investing directly or indirectly in the Reference Assets, past results are not a reliable indicator of future performance. Actual results will be different and such differences may be material. Investors in the relevant Securities are advised to consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of Securities for them as an investment. Each investor in the Securities should be fully aware of and understand the complexity and risks inherent in Securities before it makes its investment decision in accordance with the objectives of its business.

In connection with the issue of any Tranche of Securities, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the relevant Final Terms may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Securities and 60 days after the date of the allotment of the relevant Tranche of Securities. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

Neither JPMorgan Chase Bank, N.A. nor JPMorgan Chase & Co. have authorisations from De Nederlandsche Bank NV for the pursuit of the business of a bank in The Netherlands and are not licensed pursuant to section 2:11(1) of the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*). However, they are permitted to issue the Securities in The Netherlands under the Netherlands Financial Supervision Act.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Securities or determined that this Base Prospectus is accurate or complete. Any representation to the contrary is a criminal offence.

The Jersey Financial Services Commission (the "Commission") has given, and has not withdrawn, its consent under Article 8 of the Control of Borrowing Order to the circulation in Jersey of an offer for subscription, sale or exchange of Securities by the Issuers. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

It must be distinctly understood that, in giving these consents, the Commission does not take any responsibility for the financial soundness of the Issuers or for the correctness of any statements made, or opinions expressed, with regard to them.

An index of defined terms is set out on pages 474 to 498 of this Base Prospectus.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to:

- (a) "U.S.\$", "USD", "\$" and "U.S. Dollars" are to United States dollars;

- (b) "euro", "EUR" and "€" are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended;
- (c) "Sterling" and "£" are to the lawful currency of the United Kingdom;
- (d) "JPMorgan Chase" are to JPMorgan Chase & Co. and its consolidated subsidiaries; and
- (e) "JPMorgan Chase Bank" are to JPMorgan Chase Bank, N.A. and its consolidated subsidiaries.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Base Prospectus, including the documents incorporated by reference herein, may be considered forward-looking statements. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "assume" or other words of similar meaning. Forward-looking statements provide JPMorgan Chase's current expectations or forecasts of future events, circumstances, results or aspirations. JPMorgan Chase also may make forward-looking statements in its other documents filed or furnished with the SEC. In addition, JPMorgan Chase's senior management may make forward-looking statements orally to analysts, investors, representatives of the media and others.

All forward-looking statements are, by their nature, subject to risks and uncertainties, many of which are beyond JPMorgan Chase's control. JPMorgan Chase's actual future results may differ materially from those set forth in its forward-looking statements. While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ from those in the forward-looking statements:

- changes in financial services regulation;
- local, regional and international business, economic and political conditions and geopolitical events;
- changes in trade, monetary and fiscal policies and laws;
- securities and capital markets behaviour, including changes in market liquidity and volatility;
- changes in investor sentiment or consumer spending or savings behaviour;
- ability of JPMorgan Chase to manage effectively its liquidity;
- credit ratings assigned to JPMorgan Chase & Co. or its subsidiaries;
- JPMorgan Chase's reputation;
- ability of JPMorgan Chase to deal effectively with an economic slowdown or other economic or market difficulty;
- technology changes instituted by JPMorgan Chase, its counterparties or competitors;
- mergers and acquisitions, including JPMorgan Chase's ability to integrate acquisitions;
- ability of JPMorgan Chase to develop new products and services;
- acceptance of JPMorgan Chase's new and existing products and services by the marketplace and the ability of JPMorgan Chase to increase market share;
- ability of JPMorgan Chase to attract and retain employees;
- ability of JPMorgan Chase to control expense;
- competitive pressures;
- changes in the credit quality of JPMorgan Chase's customers and counterparties;
- adequacy of JPMorgan Chase's risk management framework;
- changes in laws and regulatory requirements or adverse judicial proceedings;
- changes in applicable accounting policies;
- the ability of JPMorgan Chase to determine accurate values of certain assets and liabilities;

Cautionary Note Regarding Forward-Looking Statements

- the occurrence of natural or man-made disasters or calamities or conflicts including any effect of any such disasters, calamities or conflicts on JPMorgan Chase's power generation facilities and JPMorgan Chase's other commodity-related activities; and
- the other risks and uncertainties detailed in Part I, Item 1A, "Risk Factors", in the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2009.

Any forward-looking statements made by or on behalf of JPMorgan Chase & Co. speak only as of the date they are made and JPMorgan Chase & Co. does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made. Investors should, however, consult any further disclosures of a forward-looking nature which JPMorgan Chase & Co. may make in any subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, or Current Reports on Form 8-K filed with the SEC.

SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Securities should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Responsible Persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

Issuers:

J.P. Morgan Structured Products B.V. ("JPMSP")

JPMSP was incorporated as a limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands in Amsterdam, The Netherlands on 6 November 2006 to exist for an unlimited duration. JPMSP's business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, reverse convertible and market participation notes and the subsequent hedging of those risk positions.

J.P. Morgan Bank Dublin plc ("JPMBD")

JPMBD (formerly known as Bear Stearns Bank plc) was registered with the Irish Companies Registration Office on 27 November 1995. JPMBD was re-registered as a public limited company on 15 October 1996. The Financial Regulator (formally the Irish Financial Services Regulatory Authority), which is the principal regulator of banks in Ireland, granted a banking licence to JPMBD on 10 April 1997.

J.P. Morgan Indies SRL ("JPMI")

JPMI was organised as a society with restricted liability under the laws of Barbados on 16 March 2010 for a duration of fifty years from its date of organisation. JPMI's business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, credit-linked, reverse convertible and market participation notes and the subsequent hedging of those risk positions.

JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank, N.A. was initially organised as a New York banking corporation on 26 November 1968, and converted into a national banking association on 13 November 2004. JPMorgan Chase Bank, N.A. is one of the principal bank subsidiaries of JPMorgan Chase & Co.. JPMorgan Chase Bank, N.A.'s activities are organised and integrated with the businesses of JPMorgan Chase & Co..

JPMorgan Chase & Co.

JPMorgan Chase & Co. is a financial holding company and was incorporated under Delaware law on 28 October 1968 with file number 0691011. JPMorgan Chase's activities are organised, for management reporting purposes, into six business segments, as well as a Corporate/Private Equity segment. The wholesale

businesses are the Investment Bank, Commercial Banking, Treasury & Securities Services and Asset Management segments, and the consumer businesses are the Retail Financial Services and Card Services segments.

Guarantors: **JPMorgan Chase Bank, N.A. in respect of Securities issued by JPMSP.**

JPMorgan Chase & Co. in respect of Securities issued by JPMBD and by JPMI.

Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. will not be the subject of a guarantee.

Substitution of Issuer: The Issuer of Securities may be substituted (subject, in the case of Securities issued by JPMBD and JPMSP, to the Issuer or the Guarantor having become obliged (due to a change in law) to pay Additional Amounts in accordance with General Condition 18 (*Taxation*)) as obligor under such Securities in favour of any company from JPMorgan Chase & Co. and its consolidated subsidiaries. Whilst the new issuer will provide an indemnity in favour of the Holders of such Securities in relation to any additional tax or duties that become payable solely as a result of such substitution, Holders will not have the right to object to such substitution.

Arranger: J.P. Morgan Securities Ltd.

Dealers: J.P. Morgan Securities Ltd.

J.P. Morgan Securities Inc.

J.P. Morgan (S.E.A.) Limited

or as otherwise specified in the relevant Final Terms.

Calculation Agent: J.P. Morgan Securities Ltd.

J.P. Morgan Securities Inc.

or as otherwise specified in the relevant Final Terms.

If the Calculation Agent is unable or fails to act as such, then the Issuer shall appoint a leading financial institution to act as such in its place provided that the Holders may appoint a replacement in such circumstances if the Issuer is insolvent.

The Calculation Agent has broad discretion in certain circumstances to make certain determinations, including to make adjustments to the terms of the Securities and/or to replace the original Reference Asset(s) with another and/or to cause early redemption of the Securities, any of which may be adverse to Holders of Securities.

Regulation S Securities: Subject to certain exceptions, Securities (other than Rule 144A Securities) may not be offered, sold, pledged, assigned, delivered, transferred or redeemed at any time within the United States or to, or for the account or benefit of, any U.S. Person.

Rule 144A Securities: Securities issued under the Programme may also be offered and sold to U.S. Persons pursuant to Rule 144A under the Securities Act to "qualified institutional buyers" (as defined in Rule 144A)

that (i) in the case of Securities issued by JPMSP or JPMBD, are "qualified purchasers" ("QPs"), as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"), (ii) are "eligible contract participants" ("ECPs"), as defined in Section 1(a)(12) of the U.S. Commodity Exchange Act, as amended, (iii) in the case of Securities issued by JPMSP or JPMBD are either (a) "major U.S. institutional investors" ("MUSIVs"), as defined in Rule 15a-6(b)(4) under the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or (b) "qualified offshore clients" ("**Qualified Offshore Clients**"), (iv) (a) in the case of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates, have entered into and remain in compliance with the provisions of an approved investor letter of representations (the "**Investor Letter of Representations**") with the Issuer, the Dealer and the Arranger and (b) in the case of Rule 144A Notes represented by a Global Security, have remained in compliance with the representations such beneficial holders are deemed to have made (each such QIB, an "**Eligible Investor**").

Securities in bearer form and registered securities that are exchangeable into definitive securities in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the regulations promulgated thereunder.

Status of Securities:	The Securities are unsecured and unsubordinated obligations of the relevant Issuer.
Status of JPMorgan Chase Bank, N.A. Guarantee:	The JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP is an unsecured and unsubordinated obligation of JPMorgan Chase Bank, N.A., which ranks <i>pari passu</i> with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A., subject to a preference in favour of certain U.S. domestic deposit liabilities and other obligations that are subject to any priorities or preferences.
Status of JPMorgan Chase & Co. Guarantee:	The JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD and by JPMI is an unsecured and unsubordinated obligation of JPMorgan Chase & Co., which ranks <i>pari passu</i> with all other unsecured and unsubordinated indebtedness of JPMorgan Chase & Co., subject to any obligations that are subject to any priorities or preferences.
Method of Issue:	The Securities will be issued in series. Each series may be issued in tranches having the same terms as other Securities of such series other than the issue date and the issue price.
Form of Securities:	Securities may be issued in bearer form or in registered form. JPMI shall not issue any Securities in bearer form. Unless otherwise specified in the relevant Final Terms, each Series of Securities in bearer form will be represented on issue by a temporary global security in bearer form exchangeable upon certification of non-U.S. beneficial ownership for a permanent global security in bearer form or, if so provided in the relevant

Final Terms, Securities in definitive bearer form.

Unless otherwise specified in the relevant Final Terms, each Series of Securities in registered form will be represented on issue by a temporary global security in registered form exchangeable upon certification of non-U.S. beneficial ownership for a permanent global security in registered form exchangeable, if so provided in the relevant Final Terms, for Securities in definitive registered form.

Global Securities may be deposited on the issue date with a common depository on behalf of Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme, Clearstream Banking AG, Frankfurt, The Depository Trust Company and/or the Swiss Domestic Settlement System, SIX SIS AG, or with a depository for such other clearing system as specified in the General Conditions and/or the relevant Final Terms.

Swiss Securities

Swiss Securities shall be initially represented by a single Global Security in registered form that is deposited with SIX SIS AG as central depository. A Global Security representing Swiss Securities will be exchangeable for definitive Securities in registered form only under the limited circumstances described in the General Conditions. No Holder of Swiss Securities shall, at any time, have the right to effect or demand the conversion of the Global Security representing such Swiss Securities into, or the delivery of, uncertificated Securities or Securities in definitive form. JPMI shall not issue Swiss Securities.

French Securities

French Securities may only be issued by JPMSP or JPMBD and shall be in dematerialised form and deposited with Euroclear France S.A. as central depository. French Securities may be issued in bearer form (*au porteur*) or in registered form (*au nominatif*). JPMI shall not issue French Securities.

Danish Notes

Danish Notes shall be registered in uncertificated and dematerialised book-entry form with VP Securities A/S in accordance with all applicable Danish laws, regulations and rules. Danish Notes will not be issued in definitive form. JPMI shall not issue Danish Notes.

Finnish Securities

Finnish Securities shall be registered in uncertificated and dematerialised book-entry form with Euroclear Finland Oy, the Finnish Central Securities Depository in accordance with all applicable Finnish laws, regulations and rules. Finnish Securities will not be issued in definitive form except at the request of Holders. JPMI shall not issue Finnish Securities.

Norwegian Securities

Norwegian Securities shall be registered in uncertificated and dematerialised electronic book-entry form with the Norwegian Central Securities Depository in accordance with all applicable Norwegian laws, regulations and rules. Norwegian Securities will

not be issued in definitive form. JPMI shall not issue Norwegian Securities.

Swedish Securities

Swedish Securities shall be registered in uncertificated and dematerialised electronic book-entry form with Euroclear Sweden AB, the Swedish Central Securities Depository in accordance with all applicable Swedish laws, regulations and rules. Swedish Securities will not be issued in definitive form except at the request of Holders. JPMI shall not issue Swedish Securities.

Rule 144A Securities

Rule 144A Securities may be sold to certain qualified institutional buyers in the United States in reliance on Rule 144A of the Securities Act. JPMI shall not issue Rule 144A Securities. The Registered Global Security in respect of Rule 144A Securities will be deposited with the DTC Custodian on behalf of DTC and/or a Relevant Clearing System or a depository therefor.

Currency:	The Securities may be denominated in such currency as specified in the relevant Final Terms, subject to compliance with applicable legal and/or regulatory and/or central bank requirements.
Maturity:	Such maturity as specified in the relevant Final Terms, subject, in relation to specific currencies, to compliance with applicable legal and/or regulatory and/or central bank requirements.
Issue Price:	The price and amount of Securities to be issued will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions. In particular, the Issue Price in respect of any Securities may take into account amounts with respect to commissions relating to the issue and sale of such Securities and amounts relating to the hedging of the Issuer's obligations under such Securities.
Denomination:	<p>Such denominations as specified in the relevant Final Terms, provided that:</p> <ul style="list-style-type: none"> (a) any Notes issued by JPMSP, JPMI or JPMorgan Chase & Co., as the case may be, and which have a maturity of less than one year in respect of which the issue proceeds are to be accepted by JPMSP, JPMI or JPMorgan Chase & Co. in the United Kingdom must have a minimum denomination of £100,000 (or its equivalent in other currencies); (b) any Rule 144A Notes will have a minimum denomination of U.S.\$ 100,000; (c) the minimum denomination of Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes) and Finnish Notes and Swedish Notes issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. with maturities of 183 days or less will not be less than U.S. \$500,000 (or its equivalent in other currencies) and such Securities will contain special certification by holders of their connection with the United States; and

- (d) any Securities issued by JPMI must have a minimum denomination of EUR 50,000 (or its equivalent in other currencies).

Interest – Notes only:

The Final Terms shall specify whether the Notes shall bear interest and, if so, whether at fixed rates, floating rates, variable rates or rates linked to the performance of one or more Reference Assets.

The amount of interest payable on an Interest Payment Date in respect of fixed rate Notes will typically be a fixed interest amount specified in the relevant Final Terms. In circumstances where interest applies to a period other than the typical interest period, the interest payable will be calculated on the basis of the relevant day count fraction.

The amount of interest payable on an Interest Payment Date in respect of floating rate Notes will be calculated as specified in the relevant Final Terms on the basis of either (a) a floating rate under a notional interest rate swap transaction, (b) a reference rate appearing on a screen page of a commercial information service or (c) such other basis as may be agreed between the Issuer and the relevant Dealer.

The amount of interest payable on an Interest Payment Date in respect of variable rate Notes will be calculated as specified in the relevant Final Terms.

The amount of interest payable on an Interest Payment Date in respect of Notes whose interest is linked to the performance of one or more Reference Assets will be calculated as specified in the relevant Final Terms.

Payments of interest in respect of Zero Coupon Notes shall be payable where any principal is overdue. The rate of interest shall be equal to the Amortisation Yield.

Interest will accrue on Partly Paid Notes on the paid-up nominal amount of such Partly Paid Notes.

Redemption – Notes only:

The relevant Final Terms may specify the date of redemption of Notes (or that the Notes may be redeemed at such other time or on such event as specified in the relevant Final Terms) and the amount payable or asset(s) deliverable on redemption, which may be linked to the performance of one or more Reference Assets.

The relevant Final Terms may specify that the Notes shall be redeemed earlier than the scheduled maturity date pursuant to the exercise of a call option by the Issuer or pursuant to the exercise of a put option by the holders of the Notes.

Notes may also be redeemed at the option of the Issuer for taxation reasons (except in the case of Notes issued by JPMI), or for reasons of illegality, as specified below.

Notes may also be redeemed earlier than the scheduled maturity date following the occurrence of certain events in accordance with the relevant Specific Product Provisions and/or as specified in the relevant Final Terms.

Certificate Coupons – Certificates only:	<p>The relevant Final Terms shall specify whether the Certificates will pay a coupon and, if so, whether such coupon will be at a fixed rate or a floating rate and whether or not payment of the coupon is contingent upon the performance of any Reference Asset(s).</p>
Redemption – Certificates only:	<p>The relevant Final Terms may specify the date of redemption of Certificates (or that the Certificates may be redeemed at such other time or on such event as specified in the relevant Final Terms) and the amount payable or asset(s) deliverable on redemption, which may be linked to the performance of a Reference Asset(s).</p> <p>Certificates may also be redeemed earlier than the scheduled maturity date following the occurrence of certain events in accordance with the relevant Specific Product Provisions and/or as specified in the relevant Final Terms.</p>
Exercise – Warrants only:	<p>Warrants create options exercisable by the relevant Holder. Unless the Warrants are automatically exercisable, there is no obligation upon any Holder to exercise his or her Warrant(s) nor, in the absence of such exercise, any obligation on the relevant Issuer or Guarantor (if any) to pay any amount in respect of the Warrants.</p> <p>Warrants may be subject to a maximum or minimum number of Warrants exercisable on any date.</p>
Early Termination of Certificates and Warrants:	<p>Certificates and Warrants may also be redeemed at the option of the Issuer for taxation reasons (except in the case of Certificates and Warrants issued by JPPI) or for reasons of illegality, as specified below.</p>
Payment Disruption:	<p>If the Calculation Agent determines that a "Payment Disruption Event" has occurred (which is essentially an inability to settle the Securities as a result of the inconvertibility of any relevant currency) prior to or on any date on which payments in respect of such Securities shall fall due and Payment Disruption Event is specified to be applicable in the relevant Final Terms, then the Maturity Date or any relevant payment date (as applicable) may be postponed and potentially the Issuer's payment obligations under the Securities may be reduced to zero.</p>
Physical Delivery:	<p>If the relevant Final Terms specify that "physical delivery" is applicable to any Series of Securities, the delivery of any Reference Asset Amount(s) will be made in accordance with the terms of the relevant Final Terms.</p> <p>Holders may be required to pay certain expenses in relation to Securities subject to physical delivery.</p> <p>If the Calculation Agent determines that a Settlement Disruption Event has occurred (which is essentially, an event beyond the control of the Issuer or other Hedging Entity as a result of which, in the opinion of the Calculation Agent (acting in good faith and in a commercially reasonable manner), delivery of the Reference Asset Amount(s) by or on behalf of the Issuer, in accordance with the General Conditions, is illegal or is not practicable, or as a result of which the relevant Clearing System cannot clear the transfer of the relevant Reference Asset Amount(s)) on the delivery date, delivery of the Reference Asset Amount(s) may be</p>

postponed until the next day on which delivery may occur and on which no Settlement Disruption Event occurs. For so long as delivery of the Reference Asset Amount(s) is illegal or is not practicable, the relevant Issuer may also have the right to pay the Disruption Cash Settlement Price in lieu of delivering the Reference Asset Amount.

Negative Pledge:

None.

Cross Default:

None.

Events of Default:

Events of Default include (a) a failure to pay or deliver amounts payable or deliverable in respect of the Securities, subject to certain grace periods, (b) in respect of Securities issued by JPMSP, the insolvency of JPMSP or repudiation of the JPMorgan Chase Bank, N.A. Guarantee, (c) in respect of Securities issued by JPMBD, the insolvency of JPMBD or repudiation of the JPMorgan Chase & Co. Guarantee, (d) in respect of Securities issued by JPMI, the insolvency of JPMI or repudiation of the JPMorgan Chase & Co. Guarantee, (e) in respect of Securities issued by JPMSP or JPMorgan Chase Bank, N.A., the insolvency of JPMorgan Chase Bank, N.A. or (f) in respect of Securities issued by JPMBD, JPMI or JPMorgan Chase & Co., the insolvency of JPMorgan Chase & Co..

If an Event of Default has occurred and is continuing, the holder of any Security may declare such Security immediately repayable at the Early Payment Amount (being an amount determined by the Calculation Agent as the fair market value of the Security taking into account all relevant factors (but ignoring the event which resulted in such redemption) less all costs incurred by the Issuer or any affiliate in connection with such early redemption or settlement determined by the Calculation Agent in good faith and in a commercially reasonable manner or such other amount as is specified in the relevant Final Terms).

Illegality:

The Issuer may, at its option, redeem or terminate the Securities early at the Early Payment Amount if it determines that the performance of its obligations under the Securities and/or the performance by the relevant Guarantor under the relevant Guarantee has become unlawful.

Taxation:

Subject to customary exceptions (and unless "Gross up" is specified to not be applicable in the relevant Final Terms), as set forth in the General Conditions, the relevant Issuer will pay additional amounts should withholding taxes become payable on payments of principal or interest by or within a Relevant Jurisdiction (other than to a Holder that is resident within such Relevant Jurisdiction). However, in no event will additional amounts be payable in respect of U.S. withholding taxes on (i) Rule 144A Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. or (ii) Securities issued by JPMI.

In respect of Securities issued by JPMSP or JPMBD, the relevant Issuer may, at its option, redeem or terminate some or all of the Securities upon notice early at the Early Payment Amount in the event that such Issuer determines in good faith that it has, or there is a substantial likelihood that it will, become subject to withholding imposed on a payment made to it on account of the Issuer's inability to comply with the reporting requirements imposed by the Foreign Account Tax Compliance Provisions as a

result of any Holder failing to comply with requests for information or certification from the Issuer which would enable the Issuer to avoid such withholding.

Reference Assets:

The settlement amount, redemption amount, interest amount, certificate coupon and/or early payment amount may be calculated by reference to: (a) a share or a basket of shares and/or one or more Depositary Receipts and/or a formula specified in the relevant Final Terms ("**Share Linked Securities**"); (b) an index or a basket of indices and/or a formula specified in the relevant Final Terms ("**Index Linked Securities**"); (c) a commodity or a basket of commodities or a commodity index or a basket of commodity indices and/or a formula specified in the relevant Final Terms ("**Commodity Linked Securities**"); (d) a foreign exchange rate or a basket of foreign exchange rates and/or a formula specified in the relevant Final Terms ("**FX Linked Securities**"); (e) the credit of a specified entity or entities (the "**Reference Entity**") ("**Credit Linked Notes**") or (f) a combination of any of the above and/or one or more other types of Reference Assets.

Securities which are linked to Reference Assets are subject to provisions which provide for various adjustments and modifications of their terms and alternative means of valuation of the underlying Reference Asset(s) in certain circumstances, any of which provisions could be exercised by the Calculation Agent in a manner which has an adverse effect on the market value and/or amount payable or deliverable in respect of the Securities.

Market Access Participation Notes and other "market access" Securities:

"**Market Access Participation Notes**" are Notes issued at a price linked to the value of the relevant underlying shares on particular trading days during a fixing period. At maturity (or early redemption) a Holder will not receive the principal amount of its investment but instead will receive an amount calculated as a percentage of the weighted average sale price of the underlying shares over a valuation period (or such other price as may be specified in the relevant Final Terms) less deductions for local taxes (if any) and other costs which would have been incurred had the underlying shares been held by such Holder (qualifying as a foreign or non-resident institutional investor in respect of the relevant country) directly (unless otherwise set forth in the relevant Final Terms). Generally, returns to investors in Market Access Participation Notes will be payable in U.S. dollars or another currency other than the currency in which the shares are denominated and returns will therefore be subject to exchange rate risk. **Investors in Market Access Participation Notes (and other "Market Access" Securities) may lose up to the entire value of their investment.**

Low Exercise Price Warrants:

"**Low Exercise Price Warrants**" are Warrants which are linked to the value of the relevant underlying shares during a specified period. If cash dividends are declared and paid on the relevant underlying shares during specified dividend periods, Holders will receive such amounts, less deductions for local taxes (if any) and other costs incurred by the Issuer. On the settlement date, Holders will essentially receive an amount calculated as the difference between a percentage of the notional weighted average sale price (converted into the settlement currency, if necessary) of the underlying shares over a period (or such other price as may be specified in the relevant Final Terms) minus a strike price, less deductions for local taxes (if any) and other costs incurred by the

Issuer (unless otherwise set forth in the relevant Final Terms). If the difference between such percentage of the notional weighted average sale price minus the strike price is less than or equal to zero, then the Holders will generally not receive any return on the Warrants, which will expire valueless. **Investors in Low Exercise Price Warrants may therefore lose up to the entire value of their investment (unless otherwise set forth in the relevant Final Terms).** Generally, returns (by way of dividend amount(s) and/or settlement amount) to investors in Low Exercise Price Warrants will be payable in U.S. dollars or another currency other than the currency in which the relevant underlying shares are denominated and returns will therefore be subject to exchange rate risk as well.

**Market Disruption Events or
FX Disruption Events linked to
Reference Assets:**

If the Calculation Agent determines that a "**Market Disruption Event**" (which is essentially an event that may affect the valuation of the Reference Asset or, depending on the type of Reference Asset, possibly its content or formula including, for example, early closure or trading disruption or imposition of a "limit price" on a relevant exchange or failure to publish the value of the Reference Asset or various other events and circumstances) and/or an FX Disruption Event has occurred or exists on any type of valuation date, such date may be postponed and/or alternative provisions in respect of the relevant Reference Asset may apply, which provisions could be exercised by the Calculation Agent in a manner which has an adverse effect on the market value and/or amount payable, or deliverable in respect of the Securities.

**Adjustments to conditions of
Securities that are linked to
Reference Assets:**

In respect of Share Linked Securities, the occurrence of a Potential Adjustment Event, certain Extraordinary Events (including a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting) or Additional Disruption Events (including a Change in Law and, if applicable, an Insolvency Filing and/or Hedging Disruption), may result in the Calculation Agent (i) making adjustments to the terms of the Securities and calculations as described in the General Conditions and/or (ii) in certain cases, causing early redemption of the Securities and/or (iii) substituting the applicable underlying Share for another.

In respect of Index Linked Securities, the occurrence of certain events in relation to an underlying Index (such as, for example, the replacement of the Index Sponsor, modification, cancellation or disruptions to the Index, subsequent correction of relevant Index Levels or a Change in Law and, if applicable, Hedging Disruption) may lead to the Calculation Agent making changes in the terms of the Securities and/or adjustments to relevant Index Levels as described in the General Conditions and could lead to the Securities being redeemed early.

In respect of Commodity Linked Securities, the occurrence of certain adjustment events in relation to an underlying Commodity Index (such as, for example, the cancellation and non-replacement of a commodity index, the failure to publish the index level or a non-scheduled material modification to the formula for, or calculation of, the commodity index) may lead to the Calculation Agent making changes in the terms of the Securities and/or adjustments to relevant prices as described in the General Conditions and could lead to the Securities being redeemed early.

Governing law:	<p>Save as provided below, Securities shall be governed by English law.</p> <p>The JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee are governed by the laws of the State of New York.</p> <p>Danish law shall govern the title to and registration of Danish Notes, Finnish law shall govern the title to and registration of Finnish Securities, Norwegian law shall govern the registration of Norwegian Securities and Swedish law shall govern the registration of Swedish Securities so long as such securities are held within the Relevant Clearing System in Denmark, Finland, Norway and Sweden, respectively.</p> <p>French Securities shall be governed by French law.</p> <p>German Securities shall be governed by German law.</p> <p>Rule 144A Securities (other than Rule 144A Notes) shall be governed by the laws of the State of New York.</p>
Listing and Admission to Trading:	<p>Securities may be unlisted and not admitted to trading on a regulated market or may be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, the London Stock Exchange, and/or listed on the SIX Swiss Exchange AG and admitted to trading on Scoach Switzerland, any combination of the above or as otherwise specified in the relevant Final Terms.</p> <p>No Notes issued by JPMorgan Chase Bank, N.A. or JPMI will be listed on a regulated market in the European Economic Area unless they have a minimum denomination of at least EUR 50,000 (or the equivalent in another currency).</p> <p>No Certificates or Warrants issued by JPMorgan Chase Bank, N.A. or JPMI will be listed on a regulated market in the European Economic Area.</p>
Rating:	<p>Securities may be rated or unrated. A security rating is not a recommendation to buy, sell or hold Securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.</p>
Selling Restrictions:	<p>Restrictions apply to offers, sales or transfers of the Securities in various jurisdictions. See "Subscription and Sale". In all jurisdictions offers, sales or transfers may only be effected to the extent lawful in the relevant jurisdiction.</p>
Compulsory Transfer or Redemption:	<p><i>Securities other than Rule 144A Securities</i></p> <p>Securities (other than Rule 144A Securities) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, delivered, pledged or otherwise transferred or exercised or redeemed at any time, directly or indirectly, in the United States or to any U.S. Person. If the Issuer determines at any time that any Security (other than a Rule 144A Security) is legally or beneficially owned by any U.S. Person, the Issuer may direct the Holder to sell or transfer its Security (other than a Rule 144A Security) to a person who is not a U.S. Person within 14 days following receipt of notice of the direction. If the Holder fails to</p>

sell or transfer such Security within such period, the Issuer may at its discretion (x) cause such Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is not a U.S. Person, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Security or (y) give notice to the Holder that the Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice

Rule 144A Securities

If the Issuer determines at any time that any transfer of a Rule 144A Security has been effected other than to persons (I) who are (i) a QIB, (ii) in relation to Securities issued by JPMSP or JPMBD, a QP, (iii) an ECP and (iv) in relation to Securities issued by JPMSP or JPMBD either a Qualified Offshore Client or MUSIV and (II) (a) in the case of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates, who have entered into, and have remained in compliance with, the relevant Investor Letter of Representations at the time of such transfer or (b) in the case of Rule 144A Notes represented by a Global Security, who remained in compliance with the representations which holders of beneficial interests in such Global Security are deemed to have made (a "**Permitted Transferee**"), the Issuer may direct the Holder to sell or transfer its Rule 144A Security to a person who is a Permitted Transferee within 14 days following receipt of notice of the direction. If the Holder fails to sell or transfer its Rule 144A Security within such period, the Issuer may at its discretion (x) cause the Rule 144A Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is a Permitted Transferee, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Rule 144A Security or (y) give notice to the Holder that the Rule 144A Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

Indian Participation Securities

Securities for which the Reference Asset is an equity security listed or proposed to be listed on an Indian stock exchange (an "**Indian Participation Security**") may not be legally or beneficially owned by (i) a person that is a resident of the Republic of India within the meaning of Indian exchange control laws (an "**Indian Resident**"); (ii) a person who is a "non-resident Indian" (as such term is defined in the Foreign Exchange Management (Deposit) Regulations, 2000 (a "**Non-Resident Indian**"); (iii) a person whose controller is an Indian Resident or Non-Resident Indian at any time or (iv) a person who is not a "person regulated by an appropriate foreign regulatory authority" within the meaning of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, and notifications, circulars, rules and guidelines of the Securities and Exchange Board of India issued from time to time (collectively, the "**FII Regulations**") (an "**Unregulated Entity**"). If the Issuer determines at any time that any Holder of an Indian Participation Security is an Indian Resident or a Non-Resident Indian or an Unregulated Entity within the meaning of Indian exchange control laws, the Issuer may direct the Holder to sell or transfer

its Indian Participation Security to a person who is not an Indian Resident within 14 days following receipt of notice of the direction. If the Holder fails to sell or transfer its Indian Participation Security within such period, the Issuer may at its discretion (i) cause the Indian Participation Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is not an Indian Resident, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Indian Participation Security or (ii) give notice to the Holder that the Indian Participation Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

Risk Factors:

Securities are structured products which will typically include embedded derivatives, and investors must understand their terms including the potential risk of loss of investment and the relation to the performance of the Reference Asset(s) before investing: No person should invest in Securities unless that person understands the terms and conditions of the Securities and, in particular, the extent of the exposure to potential loss, together with the characteristics and risks inherent in any relevant Reference Assets(s) and the relevant Issuer and Guarantor (if any). Investors should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Securities in the light of their particular financial circumstances and investment objectives and risk profile, all information set forth herein and in any supplements hereto, the information regarding the relevant Securities set out in the relevant Final Terms and any particular Reference Asset(s) to which the value of the relevant Securities may relate. Investors in Securities should consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of the Securities for them as an investment or if they are in any doubt about the contents of this Base Prospectus and any related Final Terms.

Investors in Securities may lose up to the entire value of their investment: Depending on the particular terms of the Securities as shall be set forth in the relevant Final Terms, the Securities may not be "principal protected" (or may not be fully "principal protected") and therefore investors in such Securities may lose some or all of their capital on maturity. Even if the relevant Securities are stated to be "principal protected" (in whole or in part), the investor is still exposed to the credit risk of the Issuer and (if applicable) the Guarantor and will lose up to the entire value of their investment if the Issuer and (if applicable) the Guarantor go bankrupt or are otherwise unable to make the payment or delivery obligations (e.g. see the last Risk Factor below (*Certain factors may affect the ability of the relevant Issuer and Guarantor (if any) to fulfil their respective payment or delivery or other obligations under the Securities*)).

Investors may also lose some or all of their investment if the Securities are not held to maturity by the investor or are redeemed early and/or if the terms of the Securities are adjusted in a materially adverse way (in accordance with the terms and conditions of the Securities).

Holders of Securities have no rights in relation to the underlying Reference Asset(s): The obligations of the Issuer and

(if applicable) Guarantor are not secured and investors in Securities do not have any rights in respect of any Reference Assets referenced by such Securities.

The market value of Securities may be volatile and adversely affected by a number of factors: The market value of the Securities may be highly volatile and may be adversely affected by a number of factors, such as (i) the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. (which credit ratings may move independently of each other), (ii) the performance of the underlying Reference Asset(s), (iii) the application of leverage in the structure of the Securities and (iv) various other factors.

An active trading market for the Securities is not likely to develop: Securities may have no liquidity or the market for such Securities may be limited and this may adversely impact their value or the ability of an investor in Securities to dispose of them.

Investors in Securities are exposed to the performance of the relevant Reference Assets: Investors in Securities must clearly understand (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment or other professional advisers) the nature of the Reference Assets and how the performance thereof may affect the pay-out and value of the Securities. The past performance of a Reference Asset is not indicative of future performance. Postponement or alternative provisions for the valuation of Reference Assets may have an adverse effect on the value of the Securities. There are significant risks in investing in Securities which reference one or more emerging market Reference Asset(s). There is generally foreign exchange currency exposure in respect of Securities which provide payment to be made in a currency which is different to the currency of the Reference Asset(s).

Certain factors may affect the ability of the relevant Issuer and Guarantor (if any) to fulfil their respective payment or delivery or other obligations under the Securities, such as the following:

- JPMorgan Chase's results of operations have been, and may continue to be, adversely affected by U.S. and international financial market and economic conditions
- If JPMorgan Chase does not effectively manage its liquidity, its business could be negatively affected
- The financial condition of JPMorgan Chase's customers, clients and counterparties, including other financial institutions, could adversely affect JPMorgan Chase
- Concentration of credit and market risk could increase the potential for significant losses
- JPMorgan Chase's framework for managing risks may not be effective in mitigating risk and loss to it
- JPMorgan Chase's operations are subject to risk of loss from unfavourable economic, monetary, political, legal and other developments in the United States and around the world

- JPMorgan Chase's power generation and commodities activities are subject to extensive regulation, potential catastrophic events and environmental risks and regulation that may expose it to significant cost and liability
- JPMorgan Chase relies on its systems, employees and certain counterparties, and certain failures could materially adversely affect JPMorgan Chase's operations
- JPMorgan Chase operates within a highly regulated industry and its business and results are significantly affected by the laws and regulations to which JPMorgan Chase is subject
- JPMorgan Chase faces significant legal risks, both from regulatory investigations and proceedings and from private actions brought against it
- There is increasing competition in the financial services industry which may adversely affect JPMorgan Chase's results of operations
- JPMorgan Chase's acquisitions and the integration of acquired businesses may not result in all of the benefits anticipated
- Damage to JPMorgan Chase's reputation could damage its businesses
- JPMorgan Chase's ability to attract and retain qualified employees is critical to the success of its business and failure to do so may materially adversely affect JPMorgan Chase's performance
- JPMorgan Chase's financial statements are based in part on assumptions and estimates which, if wrong, could cause unexpected losses in the future
- JPMorgan Chase Bank, N.A. is affected by risks affecting its parent company.

Investors should read "Risk Factors" below.

Conflicts of Interest:

JPMorgan affiliates (including the Issuers and the Guarantors) are subject to certain conflicts of interest between their own interests and those of holders of Securities. Investors should read "Conflicts of Interest" below.

RISK FACTORS

An investment in Securities involves substantial risks. Each of the Issuers and Guarantors believes that the following factors may affect its ability to fulfil its obligations in respect of Securities issued under the Programme and/or are material for the purpose of assessing the market risks associated with Securities issued under the Programme. All of these factors are contingencies which may or may not occur and none of the Issuers or Guarantors expresses a view on the likelihood of any such contingency occurring. The factors discussed below regarding the risks of acquiring or holding any Securities are not exhaustive, and additional risks and uncertainties that are not presently known to any of the Issuers or Guarantors or that any of the Issuers or Guarantors currently believes to be immaterial could also have a material impact on the business operations or financial condition of the Issuers or the Guarantors or the Securities.

The Final Terms in respect of a specific issue of Securities may contain additional risk factors in respect of such specific issue of Securities and may also include certain of the risk factors discussed below, as applicable, modified as required in relation to the particular Securities being issued. Investors should also read the detailed information concerning the Issuers, the Guarantors and the Securities set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Contents of the Risk Factors

1. **"Fundamental risks" of the potential loss of investment and potential lack of suitability in relation to an investment in Securities**
2. **Risk factors that are generic to Securities to be issued under the Programme**
3. **Risk factors that are generic to Securities that are linked to Reference Asset(s)**
4. **Risk factors associated with Securities that are linked to one or more specific types of Reference Asset(s)**
5. **Risk factors associated with Securities that include certain features**
6. **Risk factors that may affect the relevant Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities**

1. "Fundamental risks" of the potential loss of investment and potential lack of suitability in relation to an investment in Securities

1.1 Investors in Securities may receive back less than the original invested amount

Investors in Securities may lose up to the entire value of their investment in the Securities as a result of the occurrence of any one or more of the following events:

- (a) the terms of the relevant Securities do not provide for full repayment of the initial purchase price upon final maturity and/or mandatory early redemption of such Securities and the relevant Reference Asset(s) perform in such a manner that the final redemption amount and/or mandatory early payment amount is less than the initial purchase price. The pay-out formula of Securities will either provide for "principal protection" or not. Investors in Securities that are not principal protected may risk losing their entire investment if the value of the Reference Asset(s) does not move in the anticipated direction. Investors in Securities that are principal protected may still be subject to loss of some or all of their investment in the circumstances described in (b), (c), and (d) below and may not receive any value for the time for which their money is invested;
- (b) the Issuer and Guarantor (if any) of the relevant Securities are subject to insolvency proceedings or some other event impairing the ability of each to meet its obligations under the Securities;
- (c) the investor seeks to sell the relevant Securities prior to their scheduled maturity, and the sale price of the Securities in the secondary market is less than the purchaser's initial investment; and
- (d) the relevant Securities are subject to certain adjustments in accordance with the terms and conditions of such Securities that may result in the scheduled amount to be paid or asset(s) to be delivered upon redemption being reduced to or being valued at an amount less than a purchaser's initial investment.

The obligations of the relevant Issuer and Guarantor (if any) of the relevant Securities are not secured. Notwithstanding that the relevant Securities may be linked to the performance of one or more Reference Assets, investors in such Securities do not have and shall not receive any rights in respect of any Reference Assets and shall have no right to call for any Reference Assets to be delivered to them. Neither the relevant Issuer nor the Guarantor (if any) of the relevant Securities shall be required to hold any Reference Assets.

1.2 The Securities may not be a suitable investment for all investors

Each investor in the Securities must determine the suitability of such investment in light of the investor's own circumstances. In particular, each investor should:

- (a) have sufficient knowledge and experience (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment or other professional advisers) to evaluate the Securities, the merits and risks of investing in the Securities, all information contained or incorporated by reference into this Base Prospectus or any applicable supplement and all information contained in the relevant Final Terms;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of the investor's particular financial situation, an investment in the Securities and the impact the Securities will have on the investor's overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including where the settlement currency is different from the currency in which such investor's principal financial activities are principally denominated;
- (d) understand thoroughly (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment or other professional advisers) the terms of the Securities and be familiar with any relevant financial markets;

- (e) in respect of Securities linked to the performance of one or more shares, indices, rates of interest, other rates, foreign exchange rates, funds, commodities and/or any other type of securities or assets (together, "**Reference Assets**" and each, a "**Reference Asset**") and/or entities (together "**Reference Entities**" and each, a "**Reference Entity**"), understand thoroughly (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment or other professional advisers) the nature of such Reference Assets and/or Reference Entities and how the performance thereof may affect the pay-out and value of the Securities; and
- (f) be able to evaluate (either alone or with the help of a financial adviser and/or other professional adviser) possible scenarios for economic, interest rate and other factors that may affect the investment and the investor's ability to bear the applicable risks.

The Securities are complex financial instruments and may include embedded derivatives. An investor should not invest in Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how such Securities will perform under changing conditions, the resulting effects on the value of those Securities and the impact that such Securities will have on the investor's overall investment portfolio.

None of the Issuers, Guarantors, Dealers or any J.P. Morgan affiliate has given, and will not give, to any investor in Securities (either directly or indirectly) any assurance or guarantee as to the merits, performance or suitability of such Securities, and the investor should be aware that the Issuer is acting as an arm's-length contractual counterparty and not as an advisor or fiduciary.

2. **Risk factors that are generic to Securities to be issued under the Programme**

2.1 **The Issue Price of the Securities may be more than the market value of such Securities as at the Issue Date and the price of the Securities in secondary market transactions**

The Issue Price in respect of any Securities specified in the relevant Final Terms may be more than the market value of such Securities as at the Issue Date, and more than the price, if any, at which the Dealer or any other person is willing to purchase such Securities in secondary market transactions. In particular, the Issue Price in respect of any Securities may take into account amounts with respect to commissions relating to the issue and sale of such Securities and amounts relating to the hedging of the Issuer's obligations under such Securities.

2.2 **The market value and the amount payable and/or deliverable on redemption of the Securities may be adversely affected by a number of factors, and the price at which a Holder of those Securities may be able to sell Securities prior to maturity may be at a substantial discount to the market value of such Securities on the Issue Date, and a Holder may suffer a loss of some or up to all of the entire invested amount of the Securities on redemption**

- (a) ***The market value of the Securities is expected to be affected, in part, by the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co.***

The value of the Securities is expected to be affected, in part, by investors' general appraisal of the creditworthiness of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. Such perceptions may be influenced by the ratings accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. by well-recognised rating agencies, such as Moody's Investors Service Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. A reduction in the rating, if any, accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., by one of these rating agencies could result in a reduction in the trading value of the Securities.

- (b) ***The credit rating of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. may move independently of each other***

JPMorgan Chase & Co. is the holding company of JPMorgan Chase. As such, JPMorgan Chase & Co. and its subsidiaries (other than JPMorgan Chase Bank, N.A.) are generally permitted to undertake a wider range of activities than JPMorgan Chase Bank, N.A. and its

subsidiaries. As a result, while the credit rating of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. are closely related, those credit ratings are usually different and, in the event of any change in those credit ratings, those ratings may move independently of each other. JPMorgan Chase Bank, N.A. is likely to be rated more highly than JPMorgan Chase & Co. but investors should check the relevant rating at the time of considering any investment in Securities.

The creditworthiness of JPMorgan Chase Bank, N.A. is more likely to affect the trading value of Securities issued by JPMorgan Chase Bank, N.A. and Securities issued by JPMSP, which are guaranteed by JPMorgan Chase Bank, N.A.

The creditworthiness of JPMorgan Chase & Co. is more likely to affect the trading value of Securities issued by JPMorgan Chase & Co. and Securities issued by JPMBD and by JPMI, which are guaranteed by JPMorgan Chase & Co.

- (c) ***The market value of the Securities at any time and/or the amount payable and/or deliverable on redemption of the Securities is dependent on the performance of the underlying Reference Asset(s)***

Securities which are linked to Reference Asset(s) will represent an investment linked to the economic performance of the relevant Reference Asset(s) and investors should note that any return on their investment in such Securities will depend upon the performance of such Reference Asset(s). Investors should not invest in any Securities if they do not fully understand how the performance of the relevant Reference Asset(s) may affect the pay-out and value of the Securities, including (i) the potential to lose all their investment, (ii) any limit on potential profits and (iii) the effects of any leverage.

As the amounts payable and/or deliverable in respect of Securities are linked to the performance of the relevant Reference Asset(s), an investor in such a Security must generally make correct predictions as to the direction, timing and magnitude of an anticipated change in the value of the relevant Reference Asset(s) or other basis which may be specified in the relevant Final Terms. However, it is impossible to make such predictions with any degree of certainty, and investors in Securities must be aware that the historical performance of the relevant Reference Asset(s) should not be taken as an indication of future performance of such Reference Asset(s) during the term of such Security.

In contrast to a direct investment in the relevant Reference Asset(s), Securities represent the right to receive payment and/or delivery of amounts which will be determined by reference to the performance of the relevant Reference Asset(s). Potential purchasers should also note that whilst the market value of such Securities linked to such Reference Asset(s) will be influenced (positively or negatively) by such Reference Asset(s), any change may not be comparable or directly proportionate to the change in value of such Reference Asset(s).

INVESTORS MUST REVIEW THE RELEVANT FINAL TERMS TO ASCERTAIN HOW THE PERFORMANCE OF THE RELEVANT REFERENCE ASSET(S) WILL AFFECT THE AMOUNT PAYABLE AND/OR DELIVERABLE ON THE SECURITIES.

- (d) ***The market value of the Securities at any time is dependent on other matters in addition to the credit risk of the relevant Issuer and Guarantor (if any) and the performance of the relevant Reference Asset(s)***

The market value of the Securities at any time will be affected by a number of factors independent of the creditworthiness of the relevant Issuer and Guarantor (if any) and the performance of the relevant Reference Asset(s), including:

- (i) market interest and yield rates;
- (ii) the time remaining to any Redemption Date or the Maturity Date;

- (iii) where the Reference Asset(s) is/are equity securities, the dividend rate on the Reference Asset(s) and the financial results and prospects of the issuer of each Reference Asset; and
- (iv) numerous other economic, political and other factors.

The amount payable and/or deliverable in respect of Securities at any time prior to redemption is typically expected to be less than the trading price of such Securities at that time. The difference between the trading price and such amount will reflect, among other things, a "time value" for the Securities. The "time value" of the Securities will depend partly upon the length of the period remaining to final redemption and expectations concerning the value of the relevant Reference Asset(s).

Before exercising or selling Securities, Holders should carefully consider, among other things, (i) the trading price of the Securities, (ii) the value and volatility of the Reference Asset(s), (iii) the time remaining to expiration, (iv) the probable range of amounts payable and/or deliverable on the Securities, (v) any changes in interim interest rates and dividend yields, (vi) any changes in currency exchange rates, (vii) the depth of the market or liquidity of the Reference Asset(s) and (viii) any related transaction costs.

(e) ***The market value of Securities may be highly volatile***

Where the Securities reference one or more Reference Assets, the Holders of such Securities are exposed to the performance of such Reference Assets. The price, performance or investment return of the Reference Asset may be subject to sudden and large unpredictable changes over time and this degree of change is known as "volatility". The volatility of a Reference Asset may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of the Securities.

(f) ***The market value of Securities and the amount payable or deliverable on the Securities may be affected due to the application of leverage in the structure***

If the formula used to determine any amount payable and/or deliverable with respect to the Securities contains a multiplier or leverage factor, then the percentage change in the value of the Security will be greater than any positive and/or negative performance of the Reference Asset(s). Any Securities which include such multiplier or leverage factor represent a very speculative and risky form of investment since any loss in the value of the Reference Asset(s) carries the risk of a correspondingly higher loss on the Securities.

2.3 **An active trading market for the Securities is not likely to develop**

Unless otherwise communicated by the Issuer or any J.P. Morgan affiliate to the investor in the Securities, or to the extent that the rules of any stock exchange on which the Securities are listed and admitted to trading require the Issuer or any J.P. Morgan affiliate to provide liquidity in respect of such Securities, the Securities may have no liquidity or the market for such Securities may be limited and this may adversely impact their value or the ability of the investor in Securities to dispose of them. Subject to the rules of any relevant stock exchange, the relevant Issuer or Guarantor (if any) may seek in its sole discretion the delisting of any Securities without notice to the Holders of such Securities.

A secondary market is unlikely to develop and, even if a secondary market does develop, it is not possible to predict the price at which Securities will trade in such secondary market. Neither the Issuer nor any J.P. Morgan affiliate is under any obligation, and none of the Issuer, Guarantor (if any) or any J.P. Morgan affiliate makes any commitment, to make a market in or to repurchase the Securities. If the Issuer, Guarantor (if any) or any J.P. Morgan affiliate does make a market for the Securities, it may cease to do so at any time without notice.

2.4 There may be price discrepancies with respect to the Securities as between various dealers or other purchasers in the secondary market

If at any time a third party dealer quotes a price to purchase Securities or otherwise values Securities, that price may be significantly different (higher or lower) from any price quoted by any J.P. Morgan affiliate. Furthermore, if any Holder sells their Securities, the Holder will likely be charged a commission for secondary market transactions, or the price may reflect a dealer discount.

2.5 The Securities may be redeemed prior to their scheduled final maturity

In certain circumstances, the Early Payment Amount payable on the redemption of a Security prior to its scheduled maturity may be less than its original purchase price and could be as low as zero.

Following early redemption of Securities, the Holders of such Securities may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Investors in Securities should consider such reinvestment risk in light of other investments available at that time.

Securities may be redeemed prior to maturity for any of the following reasons:

- (i) the occurrence of a mandatory early redemption event (e.g., the price or level of the Reference Asset rises above or falls below a pre-determined barrier level), if specified in the terms and conditions of the Securities;
- (ii) the exercise by the Issuer of a call option, if specified to be applicable in the relevant Final Terms;
- (iii) the exercise by the Holder of a put option, if specified to be applicable in the relevant Final Terms;
- (iv) the occurrence of certain events or other circumstances in relation to a Reference Asset at the discretion of the Calculation Agent (see the Specific Product Provisions);
- (v) the relevant Issuer determines that its performance under any Security has become unlawful in whole or in part for any reason (see General Condition 17.1 (*Termination Event*));
- (vi) the relevant Issuer determines that it will become subject to withholding tax on payments made to it as a result of holders failing to provide information required by new U.S. tax legislation (see General Condition 17.2 (*Tax Termination Event*));
- (vii) the occurrence of certain taxation events (see General Conditions 5.7 (*Redemption for Taxation Reasons*) and 12 (*Early Termination of Warrants and Certificates for Tax Reasons*)); or
- (viii) following an Event of Default (see General Condition 16 (*Events of Default*)).

With regard to the exercise by the Issuer of a call option, see risk factor 5.1 (*The inclusion of an Issuer call option in respect of Securities will generally mean that (i) the Holder will not be able to participate in any future upside performance of the underlying Reference Asset(s) following the effective date of the Issuer call option, (ii) the market value of the Securities may be limited and (iii) if the call option is exercised, the Holder will not likely be able to reinvest the proceeds at an effective interest rate as high as the interest rate on the Securities*) below.

With regard to early redemption due to any of illegality or tax, the Early Payment Amount in respect of each Security shall (unless otherwise specified in the relevant Final Terms) be an amount determined by the Calculation Agent as representing the fair market value of such Securities immediately prior (and ignoring the circumstances leading) to such Early Redemption, adjusted to account fully for any reasonable expenses and costs of unwinding

any underlying and/or related hedging and funding arrangements (including, without limitation any equity options, equity swaps or other Securities of any type whatsoever hedging the Issuer's obligations under the Securities). An investor in Securities should be aware that this Early Payment Amount may be less than the investor's initial investment, and in such case see risk factor 1.1 (*Investors in Securities may receive back less than the original invested amount*).

2.6 JPMorgan Chase is subject to various potential conflicts of interest in respect of the Securities, which could have an adverse effect on the Securities

See "Conflicts of Interest" below on page 57.

2.7 Any consequential postponement of, or any alternative provisions for, valuation following a Market Disruption Event may have an adverse effect on the value of the Securities

If an issue of Securities includes provisions dealing with the occurrence of a Market Disruption Event on an Initial Valuation Date, Valuation Date, Interest Valuation Date, Initial Averaging Date, Averaging Date, Observation Date or other date, and the Calculation Agent determines that a Market Disruption Event has occurred or exists on such date, any consequential postponement of, or any alternative provisions for, valuation provided in such Security may have an adverse effect on its value.

2.8 It may not be possible to use the Securities as a perfect hedge against the market risk associated with investing in a Reference Asset

Investors intending to invest in Securities to hedge against the market risk associated with investing in a Reference Asset should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly match the value of the Reference Asset. Due to fluctuating supply and demand for the Securities, there is no assurance that their value will match movements in the value of the Reference Asset. For these reasons, among others, it may not be possible to purchase or liquidate Securities in a portfolio at the prices used to calculate the value of any Reference Asset(s).

2.9 There may be regulatory consequences to the Holder of holding Securities linked to a Reference Asset

There may be regulatory and other consequences associated with the ownership by certain investors in certain Securities linked to a Reference Asset. Each investor in Securities must conduct its own investigation into its regulatory position with respect to the potential investment in Securities, and none of the relevant Issuer, the relevant Guarantor (if any), the Dealer or the Arranger assumes any obligation or liability whatsoever to such investor in such regard.

2.10 The occurrence of a Payment Disruption Event may lead to a Delayed and/or Reduced Payment

In the event that the Calculation Agent determines that an event that (a) prevents, restricts or delays the Issuer from converting or delivering relevant currencies, (b) imposes capital controls, or (c) implements changes to laws relating to foreign investments, a "Payment Disruption Event" has occurred or is likely to occur, then if Payment Disruption Event is specified to be applicable in the relevant Final Terms the Interest Payment Date, Maturity Date, Exercise Date, Redemption Date, Coupon Payment Date, Settlement Date or any relevant exercise or payment date (as applicable) may be postponed to a date falling 14 calendar days after the date on which the Payment Disruption Event is no longer occurring. There shall be no accrued interest payable in respect of any such postponement and no Event of Default in respect of the Securities will result. Partial payments may be paid during such period (after deduction for any expenses). In the event that a Payment Disruption Event is still continuing on the date which is one year after the Maturity Date, Redemption Date, Settlement Date or other relevant payment date which is the last date on which amounts are due under the Securities (the "**Payment Event Cut-off Date**"), then (i) such final payment date shall be extended to the Payment Event Cut-off Date and (ii) the remaining amounts payable under the

Securities shall be deemed to be zero and the Issuer shall have no obligations whatsoever under the Securities.

2.11 Securities may be amended without the consent of the Holders or with the consent of only some of the Holders binding all of the Holders of Securities

Subject as provided below, the terms and conditions of Securities (other than French Securities and German Securities) may be amended by the Issuer with the approval of the Calculation Agent but without the consent of the Holders if the amendment:

- (a) is of a formal, minor or technical nature; or
- (b) is made to cure a manifest or proven error; or
- (c) is made to cure any ambiguity or is made to correct or supplement any defective provisions of the Securities or the Agency Agreement (as applicable); or
- (d) is made to correct an error or omission such that, in the absence of such correction, the terms of the Securities would not otherwise represent the intended terms of the Securities on which the Securities were sold and have since traded; or
- (e) will not materially and adversely affect the interests of the Holders of the Securities or (if applicable) any Couponholders or Receiptholders.

See General Condition 23.1(a) (*Modification without Holder consent (Securities other than French Securities and German Securities)*).

In addition, other changes may be made to the terms and conditions with the consent of the Holders, subject as provided below with respect to French Securities and German Securities. In order to make such changes, the Issuer requires the consent of 50 per cent. of the Holders (in the case of minor amendments) or 75 per cent. of the Holders (in the case of more fundamental amendments). Any dissenting Holders will be bound by such changes. Therefore the Issuer may be able to make a change which certain Holders have voted against if 50 per cent. or 75 per cent. (as the case may be) of the Holders of the entire series of Securities have approved the change. See General Condition 23.1(c) (*Modification and waiver with Holder consent (Securities other than French Securities and German Securities)*).

In the case of French Notes, the terms of the Notes can only be amended if there is a meeting of the Holders in accordance with French law, known as the "Masse". The positive vote of two-thirds or more of Holders will bind the remaining Holders.

In the case of German Securities, the terms and conditions of the Securities may be amended by the Issuer without the consent of the Holders, Couponholders or Receiptholders, if the amendment is to correct any manifest clerical or calculation errors or similar manifest incorrectness. In addition, the Issuer may, without the consent of the Holders, Couponholders or Receiptholders, amend or supplement at its reasonable discretion any contradictory or incomplete provisions of the terms and conditions of the Securities, provided that such amendments are reasonably acceptable to the Holder, Couponholder or Receiptholder. See General Condition 23.1(b) (*Modification of German Securities without Holder consent*).

Furthermore, the Holders may agree to amendments to the terms and conditions of the Securities with regard to matters permitted by the German Bond Act of 2009 (*Schuldverschreibungsgesetz*) by resolution with the majority specified in General Condition 23.1(e)(ii) proposed by the Issuer. Majority resolutions shall be binding on all Holders. See General Condition 23.1(e) (*Modification of German Securities with Holder consent*).

In all other cases, the terms and conditions of German Securities can only be amended with the consent of all of the Holders of such Securities.

2.12 The Issuer of Securities may be substituted without the consent of the Holders

The Issuer of Securities may be substituted (subject, in the case of Securities issued by JPMBD and JPMSP, to the Issuer or the Guarantor having become obliged (due to a change in law) to pay Additional Amounts in accordance with General Condition 18 (*Taxation*)) as obligor under such Securities in favour of any company from JPMorgan Chase & Co. and its consolidated subsidiaries. Whilst the new issuer will provide an indemnity in favour of the Holders of such Securities in relation to any additional tax or duties that become payable solely as a result of such substitution, Holders will not have the right to object to such substitution. See General Condition 27 (*Substitution*).

2.13 Holders may be required to pay certain expenses in relation to Securities subject to Physical Delivery

Holders of Securities subject to Physical Delivery must pay all Expenses relating to delivery of such Securities. As defined in the terms and conditions, "Expenses" includes expenses, costs, charges, levies, tax, duties, withholding, deductions or other payments including without limitation, all depositary, custodial, registration, transaction and exercise charges and all stamp, issues, registration or, securities transfer or other similar taxes or duties incurred by the Issuer and/or a Hedging Entity in respect of the Issuer's obligations under the Securities and/or the delivery of the Reference Assets.

2.14 There are certain requirements to be fulfilled and payments to be made by the Holder in order to receive the Reference Asset Amount where Physical Delivery is applicable and the Issuer may decide to settle by way of cash payment instead in certain circumstances

In order to receive the Reference Asset Amount in respect of a Security settled by way of Physical Delivery, the Holder of such Security must deliver or send to the relevant Clearing System or Agent (as applicable) a duly completed Reference Asset Transfer Notice on or prior to the relevant time on the Physical Delivery Cut-off Date and pay the relevant Delivery Expenses. If a Holder fails to deliver the required certification of non-U.S. beneficial ownership (in respect of Securities other than Rule 144A Securities) or certification that it is an eligible investor for U.S. securities law purposes (in respect of Rule 144A Securities), the Issuer may deliver what the Calculation Agent determines to be the fair market value of the Reference Assets instead of the Reference Assets Amount.

2.15 No U.S. withholding tax will be payable on any Rule 144A Security issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A.

Subject to customary exceptions and certain other exceptions as detailed in General Condition 18.2 (*Circumstances in which Additional Amounts will not be paid*) (and unless "Gross up" is specified to not be applicable in the relevant Final Terms), the relevant Issuer will pay additional amounts should withholding taxes become payable on payments of principal or interest by or within a Relevant Jurisdiction (other than to a Holder that is resident within such Relevant Jurisdiction).

However, in no event will additional amounts be payable in respect of U.S. withholding taxes on any Rule 144A Securities issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. or on any Securities issued by JPMI.

2.16 Recent U.S. tax legislation may impose withholding tax on certain payments made to JPMSP and JPMBD, which may, under certain circumstances, give rise to a right for such Issuer to redeem or terminate the Securities early

Recently enacted U.S. tax legislation may require a payor of either U.S. source interest, U.S. source dividends, or other U.S. source periodic income (and of proceeds from the sale of assets that produce U.S. source interest or U.S. source dividends) to withhold 30 per cent. from such payments made on or after 1 January 2013 to certain non-U.S. persons, such as JPMSP and JPMBD (each, a "Non-U.S. Issuer"). However, this new U.S. withholding tax (which may not be refundable) does not apply to an obligation outstanding on or prior to 18 March 2012 or if the relevant Non-U.S. Issuer (and each foreign withholding agent (if any) in

the chain of custody of payments made to the Issuer) meets certain reporting requirements regarding certain of its direct and indirect U.S. Holders.

It is anticipated that each Non-U.S. Issuer will comply with the new reporting requirements and, thus, will be required, among other things, either to agree to withhold 30 per cent. of "pass-thru" payments made to any Recalcitrant Holders or to instruct withholding agents to withhold on payments to it that are deemed to be allocable to such Recalcitrant Holders. A "**Recalcitrant Holder**" generally is a holder of debt or equity in a Non-U.S. Issuer (other than debt or equity interests which are regularly traded on an established securities market) that fails to comply with reasonable requests for information that will help enable the relevant Non-U.S. Issuer to comply with its reporting requirements, and "pass-thru" payments are payments made by a Non-U.S. Issuer that are attributable to certain income on (including interest and dividends), or proceeds from the sale of, certain U.S. assets held by the Non-U.S. Issuer. Accordingly, JPMSP or JPMBD may either withhold on payments to its Recalcitrant Holders or elect to have withholding imposed on itself due to its Recalcitrant Holders. In the latter case, any such withholding imposed on a Non-U.S. Issuer will reduce the amount of cash available to pay all of its holders, and such withholding may be allocated disproportionately to a particular class of Holders (including Holders that have provided the Non-U.S. Issuer with all requested information) and there will be no "gross up" (or any other additional amount) payable by way of compensation to the Holders for the deducted amount.

In addition, if a Non-U.S. Issuer becomes subject to withholding on account of its inability to comply with the new reporting requirements, which inability is attributable to a Holder's non-compliance with the relevant Issuer's requests for certification and identifying information, the Non-U.S. Issuer may, at its option, redeem or terminate some or all Securities, including Securities held by compliant Holders at the Early Payment Amount (which amount may be less than the purchase price paid by the Holder, depending on the fair market value of the Securities at the relevant time, and taking into account any deduction for the costs of unwinding the Issuer's hedging arrangements).

3. **Risk factors that are generic to Securities that are linked to Reference Asset(s)**

3.1 **No rights of ownership in the Reference Asset(s)**

Investors in Securities should be aware that the relevant Reference Asset(s) will not be held by the Issuer for the benefit of the investors in such Securities, and as such, investors will not obtain any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any Reference Asset referenced by such Securities. For the avoidance of doubt, no J.P. Morgan affiliate is under any obligation whatsoever to acquire and hold any Reference Asset.

3.2 **The performance of the Securities is linked to the performance of the Reference Asset(s)**

Where the Securities reference one or more Reference Assets, the investors in such Securities are exposed to the performance of such Reference Assets.

3.3 **The past performance of a Reference Asset is not indicative of future performance**

Any information about the past performance of the Reference Asset at the time of the issuance of the Security should not be regarded as indicative of the range of, or trends in, fluctuations in the Reference Asset that may occur in the future.

3.4 **Postponement or alternative provisions for the valuation of a Reference Asset may have an adverse effect on the value of the Securities**

If the Calculation Agent determines that any scheduled valuation date (including an averaging date) (i) falls on a day which is not a Scheduled Trading Day or any other day which is subject to adjustment in accordance with the terms and conditions of the relevant Securities and/or (ii) any form of disruption event in relation to the relevant Reference Asset has occurred which affects the valuation of such Reference Asset, the Calculation Agent has broad discretion to make any consequential postponement of, or any alternative provisions for, valuation of such Reference Asset provided in the terms and conditions of the Securities, including a

determination of the value of such Reference Asset by the Calculation Agent in its discretion, each of which may have an adverse effect on the value of the Securities.

3.5 The Calculation Agent has broad discretion to make certain determinations and adjustments, to replace the original Reference Asset with another and/or to cause early redemption of the Securities, any of which may be adverse to Holders

The Calculation Agent may in certain circumstances adjust the terms and conditions of the Securities (without the consent of the Holders) or may procure the early redemption of such Securities prior to their scheduled maturity date where particular adjustment events specified to be applicable to such Securities occur, in each case, in accordance with such terms and conditions. In the event of such early termination the Issuer will repay such Securities at the Early Payment Amount, which will be determined on the basis of an amount determined by the Calculation Agent equal to the fair market value of such Securities immediately prior to such early redemption less any cost to the Issuer or any affiliate of the Issuer which is hedging the Securities on the Issuer's behalf of unwinding such hedging transaction. Investors in Securities should be aware that it is likely that such Early Payment Amount will be less than the investor's initial investment, and in such case see risk factor 1.1 (*Investors in Securities may receive back less than the original invested amount*) above. Following any such early redemption of Securities, the investors in such Securities will generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Investors in Securities should consider such reinvestment risk in light of other investments available at that time.

3.6 There are significant risks in investing in Securities which reference one or more emerging market Reference Asset(s)

Where the terms and conditions of the Securities reference one or more emerging market Reference Asset(s), investors in such Securities should be aware that the political and economic situation in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries, including a significant risk of currency value fluctuation. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of a Reference Asset investment in those countries. The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make the Reference Asset(s) illiquid and more volatile than investments in more established markets. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of the Reference Asset(s).

3.7 There is generally foreign exchange currency exposure in respect of Securities which provide for payment to be made in a currency which is different to the currency of the Reference Asset(s)

Where the terms and conditions of the Securities provide that payment under such Securities will be made in a currency which is different from the currency of the Reference Asset, and such Securities do not have a "quanto" feature (i.e. a feature that hedges the currency risk - as to which, see Risk Factor 3.8 (*There are risks relating to currency-protected or "quanto" Securities which provide for payment to be made in a currency which is different to the currency of the Reference Asset(s)*) immediately below), Holders of such Securities may be exposed not only to the performance of the Reference Asset but also to the performance of such foreign currency, which cannot be predicted. Investors should be aware that foreign

exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks (e.g., imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency). Foreign exchange fluctuations between a Holder's home currency and the relevant currency in which the repayment amount of the Securities is denominated may affect investors who intend to convert gains or losses from the exercise or sale of Securities into their home currency.

3.8 There are risks relating to currency-protected or "quanto" Securities which provide for payment to be made in a currency which is different to the currency of the Reference Asset(s)

If one or more Reference Assets are not denominated in the currency of the Securities and at the same time only the performance of the Reference Asset(s) in their denominated currency is relevant to the payout on the Securities, such Securities are referred to as currency-protected Securities or Securities with a "quanto" feature. Under such feature, the investment return of the Securities depends only on the performance of the Reference Asset(s) (in the relevant currency) and any change in the rate of exchange between the currency of the Reference Asset(s) and the Securities is disregarded. Accordingly, the application of a "quanto" feature means that Holders of such Securities will not have the benefit of any change in the rate of exchange between the currency of the Reference Asset(s) and the Securities that would otherwise increase the performance of the Reference Asset(s) in the absence of such "quanto" feature. In addition, changes in the relevant exchange rate may indirectly influence the price of the relevant Reference Asset(s) which, in turn, could have a negative effect on the return on the Securities.

4. Risk factors associated with Securities that are linked to one or more specific types of Reference Asset(s)

4.1 Risks associated with Shares as Reference Assets

An investment in Share Linked Securities entails significant risks in addition to those associated with investments in a conventional debt security.

(a) *Factors affecting the performance of Shares may adversely affect the value of the Securities*

The performance of Shares is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) *No claim against the Share Issuer or recourse to the Shares*

Share Linked Securities do not represent a claim against or an investment in any Share Issuer and Holders will not have any right of recourse under the Securities to any such company or the Shares. The Securities are not in any way sponsored, endorsed or promoted by any Share Issuer and such companies have no obligation to take into account the consequences of their actions for any Holders. Accordingly, the issuer of a Share may take any actions in respect of such Share without regard to the interests of the investors in the Securities, and any of these actions could adversely affect the market value of the Securities.

(c) ***Determinations made by the Calculation Agent in respect of Potential Adjustment Events, Extraordinary Events and Additional Disruption Events may have an adverse effect on the value of the Securities***

Upon determining that a Potential Adjustment Event, Extraordinary Event or Additional Disruption Event has occurred in relation to an underlying Share or Share Issuer, the Calculation Agent has broad discretion to make certain determinations to account for such event including to (i) make adjustments to the terms of the Securities and/or (ii) (in the case of an Extraordinary Event or an Additional Disruption Event) cause early redemption of the Securities, any of which determinations may have an adverse effect on the value of the Securities.

Potential Adjustment Events include (a) a sub-division, consolidation or re-classification of the Shares, (b) an extraordinary dividend, (c) a call of the Shares that are not fully paid, (d) a repurchase by the issuer, or an affiliate thereof, of the Shares, (e) a separation of rights from the Shares or (f) any event having a dilutive or concentrative effect on the value of the Shares. Extraordinary Events include (a) a delisting of the Shares on an exchange, (b) an insolvency (where all the Shares of the Share Issuer are transferred to a trustee, liquidator or similar official or may not be legally transferred) or bankruptcy of the issuer of the Shares, (c) a merger event entailing the consolidation of the Shares with those of another entity, (d) a nationalisation of the issuer of the Shares or transfer of the Shares to a governmental entity, or (e) a tender offer or takeover offer that results in transfer of the Shares to another entity. Additional Disruption Events include (a) a change in applicable law since the Issue Date that makes it illegal to hold, acquire or dispose of the Shares or more expensive for the Issuer to hedge its obligations under the relevant Securities or (b) if specified to be applicable in the relevant Final Terms, (i) an insolvency filing by or on behalf of the underlying Share Issuer or (ii) Hedging Disruption.

(d) ***Holders may receive physical delivery of Shares in lieu of payment of cash amounts***

Where the Securities include the right of the Issuer, subject to the fulfilment of a particular condition, to redeem the Securities at their maturity by delivering Shares to the investor in such Securities, the investors will receive such Shares rather than a monetary amount upon maturity. Holders will, therefore, be exposed to the issuer of such Shares and the risks associated with such Shares. The investor should not assume that he or she will be able to sell such Shares for a specific price after the redemption of the Securities, and in particular not for the purchase price of the Securities. Under certain circumstances the Shares may only have a very low value or may, in fact, be worthless, in which case see risk factor 1.1 (*Investors in Securities may receive back less than the original invested amount*) above. Holders may also be subject to certain documentary or stamp taxes in relation to the delivery and/or disposal of such Shares.

4.2 **Risks associated with Depositary Receipts (comprising American Depositary Receipts ("ADRs")) and Global Depositary Receipts ("GDRs")) as Reference Assets**

An investment in Securities linked to ADRs or GDRs entails significant risks in addition to those associated with Share Linked Securities and with investments in a conventional debt security.

(a) ***Exposure to risk that redemption amounts do not reflect direct investment in the shares underlying the Depositary Receipts***

There are important differences between the rights of holders of American Depositary Receipts ("ADRs") or Global Depositary Receipts ("GDRs") (ADRs and GDRs, together, "**Depositary Receipts**") and the rights of holders of the stock of the Underlying Share Issuer represented by such Depositary Receipts. A Depositary Receipt is a security that represents capital stock of the relevant Underlying Share Issuer. The relevant Deposit Agreement for the Depositary Receipt sets forth the rights and responsibilities of the Depositary (being the issuer of the Depositary Receipt), the Underlying Share Issuer and holders of the Depositary Receipt which may be different from the rights of holders of the Underlying Shares. For example, the Underlying Share Issuer may make distributions in respect of its Underlying Shares that are

not passed on to the holders of its Depositary Receipts. Any such differences between the rights of holders of the Depositary Receipts and holders of the Underlying Shares of the Underlying Share Issuer may be significant and may materially and adversely affect the value of the relevant Securities.

(b) ***Exposure to the risk of non-recognition of beneficial ownership of the Underlying Shares and therefore generally do not include dividends***

The legal owner of the Underlying Shares is the custodian bank which at the same time is the issuing agent of the Depositary Receipts. Depending on the jurisdiction under which the Depositary Receipts have been issued and the jurisdiction to which the custodian agreement is subject, it is possible that the corresponding jurisdiction would not recognise the purchaser of the Depositary Receipts as the actual beneficial owner of the Underlying Shares. Particularly in the event that the custodian becomes insolvent or that enforcement measures are taken against the custodian, it is possible that an order restricting free disposition could be issued with respect to the Underlying Shares or that such shares are realised within the framework of an enforcement measure against the custodian. If this is the case, the holder of the Depositary Receipt loses the rights under the Underlying Shares and the Securities would become worthless. See risk factor 1.1 (*Investors in Securities may receive back less than the original invested amount*) above.

(c) ***Potential exposure to risks of emerging markets***

Depositary Receipts often represent shares of Underlying Share Issuers based in emerging market jurisdictions. In such case, see risk factor 3.6 (*There are significant risks in investing in Securities which reference one or more emerging market Reference Asset(s)*) above.

(d) ***Distributions on the Underlying Shares may not be passed on to the Depositary Receipts***

The issuer of the Underlying Shares may make distributions in respect of their shares that are not passed on to the purchasers of its Depositary Receipts.

(e) ***Adjustment to the terms and conditions or replacement of the Reference Asset following certain corporate events in relation to the Underlying Shares may materially and adversely affect the value of the Securities***

Following certain corporate events specified in the terms and conditions of the relevant Securities relating to the Underlying Shares or the relevant issuer of such Underlying Shares, such as a merger where the relevant company is not the surviving entity, the amount Holders of Securities will receive, if any, at maturity of such Securities may be adjusted by the Calculation Agent or the affected Underlying Shares and Depositary Receipts may be replaced by another Reference Asset. The occurrence of such corporate events and the consequential amendments may materially and adversely affect the value of the Securities.

(f) ***Exposure to changes in the rate of exchange between the currency of the Depositary Receipt and the Underlying Share***

Where the currency of the Depositary Receipt is different from that of the underlying Share, Holders of Securities linked to such Depositary Receipt may be exposed not only to the performance of the Depositary Receipt but also to the performance of the relevant foreign currency of the Underlying Share, which cannot be predicted. Investors should be aware that foreign exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks (e.g. imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency).

4.3 Risks associated with Indices as Reference Assets

An investment in Index Linked Securities entails significant risks in addition to those associated with investments in a conventional debt security.

(a) ***Factors affecting the performance of Indices may adversely affect the value of the Securities***

Indices are comprised of a synthetic portfolio of shares or other assets, and as such, the performance of an Index is dependent upon the macroeconomic factors relating to the shares or other components that comprise such Index, which may include interest and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) ***Exposure to the risk that returns on the Securities do not reflect direct investment in underlying shares or other assets comprising the Index***

The return payable on Securities that reference Indices may not reflect the return an investor would realise if he or she actually owned the relevant assets comprising the components of the Index. For example, if the components of the Indices are shares, Holders will not receive any dividends paid on those shares and will not participate in the return on those dividends unless the relevant Index takes such dividends into account for purposes of calculating the relevant level. Similarly, Holders will not have any voting rights in the underlying shares or any other assets which may comprise the components of the relevant Index. Accordingly, investors in Securities that reference Indices as Reference Assets may receive a lower payment upon redemption of such Securities than such investor would have received if he or she had invested in the components of the Index directly.

(c) ***Loss of return of dividends in respect of most Securities linked to equity Indices***

The rules governing the composition and calculation of the relevant underlying Index might stipulate that dividends distributed on its components do not lead to a rise in the index level, for example, if it is a "price" index, which may lead to a decrease in the index level if all other circumstances remain the same. As a result, in such cases the Holders of Securities in respect of which a Reference Asset is such Index will not participate in dividends or other distributions paid on the components comprising the Index. Even if the rules of the relevant underlying Index provide that distributed dividends or other distributions of the components are reinvested in the Index and therefore result in raising its level, in some circumstances the dividends or other distributions may not be fully reinvested in such Index.

(d) ***A change in the composition or discontinuance of an Index could adversely affect the market value of the Securities***

The sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The changing of components of any Index may affect the level of such Index as a newly added component may perform significantly worse or better than the company it replaces, which in turn may affect the payments made by the Issuer to the investors in the Securities. The sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The sponsor of an Index will have no involvement in the offer and sale of the Securities and will have no obligation to any investor in such Securities. The sponsor of an Index may take any actions in respect of such Index without regard to the interests of the investor in the Securities, and any of these actions could adversely affect the market value of the Securities.

(e) ***Exposure to Index Modification, Index Cancellation, Index Disruption and Correction of Index levels***

The Calculation Agent has broad discretion to make certain determinations and adjustments, to replace the original Reference Asset with another and/or to cause early redemption of the Securities, any of which may be adverse to Holders in connection with Index Modification, Index Cancellation, and Index Disruption. The Calculation Agent may determine that the

consequence of any such event is to make adjustments to the Securities, or to replace such Index with another or to cause early redemption of the Securities. The Calculation Agent may (subject to the terms and conditions of the relevant Securities) also amend the relevant Index level due to corrections in the level reported by the Index Sponsor.

(f) ***There are additional risks in relation to "Proprietary Indices" or "Strategies"***

See "Conflicts of Interest - A J.P. Morgan affiliate may be the sponsor of an Index which is referenced by an Index Linked Security" below.

(g) ***There are additional risks in relation to Commodity Indices***

See risk factor 4.5(d) (*Additional risks in relation to the "rolling" of commodity futures contracts (including commodity futures contracts which are Components of a Commodity Index)*) below.

4.4 Risks associated with Foreign Exchange Rates as Reference Assets

An investment in FX Linked Securities entails significant risks in addition to those associated with investments in a conventional debt security.

(a) ***Factors affecting the performance of the relevant foreign exchange rate may adversely affect the value of the Securities***

The foreign exchange rate(s) to which the Securities are linked will affect the nature and value of the investment return on the Securities. The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency.

(b) ***J.P. Morgan is a major foreign exchange dealer and is subject to conflicts of interest***

Investors should note that certain J.P. Morgan affiliates are regular participants in the foreign exchange markets and in the ordinary course of their business may effect transactions for their own account or for the account of their customers and hold long and short positions in currencies and related derivatives, including in the currencies of the relevant FX Rate(s). Such transactions may affect the relevant FX Rate(s), the market price, liquidity or value of the Securities and could be adverse to the interests of Holders. No J.P. Morgan affiliate has any duty to enter into such transactions in a manner which is favourable to Holders. See "Conflicts of Interest" on page 57 below.

(c) ***Currencies of emerging markets jurisdictions pose particular risks***

FX Linked Securities linked to emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies. See risk factor 3.6 (*There are significant risks in investing in Securities which reference one or more emerging market Reference Asset(s)*).

4.5 Risks associated with Commodities as Reference Assets

An investment in Commodity Linked Securities entails significant risks in addition to those associated with investments in a conventional debt security.

- (a) ***Factors affecting the performance of Commodities may adversely affect the value of the Securities; Commodity prices may be more volatile than other asset classes***

Trading in commodities is speculative and may be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable including, for example, changes in supply and demand relationships, weather patterns and extreme weather conditions, governmental programmes and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programmes, changes in interest and exchange rates and changes and suspensions or disruptions of market trading activities in commodities and related contracts. Commodity prices may be more volatile than other asset classes, making investments in commodities riskier than other investments.

- (b) ***Commodities may reference physical commodities or commodity contracts, and certain commodity contracts may be traded on unregulated or "under-regulated" exchanges***

Commodities comprise both (i) "physical" commodities, which need to be stored and transported, and which are generally traded at a "spot" price, and (ii) commodity contracts, which are agreements either to (a) buy or sell a set amount of an underlying physical commodity at a predetermined price and delivery period (which may be referred to as a delivery month), or to (b) make and receive a cash payment based on changes in the price of the underlying physical commodity.

Commodity contracts may be traded on regulated specialised futures exchanges (such as futures contracts). Commodity contracts may also be traded directly between market participants "over-the-counter" on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. Accordingly, trading in such "over-the-counter" contracts may not be subject to the same provisions as, and the protections afforded to, contracts traded on regulated specialised futures exchanges, and there may therefore be additional risks related to the liquidity and price histories of the relevant contracts.

- (c) ***Commodity Linked Securities which are linked to commodity futures contracts may provide a different return than Commodity Linked Securities linked to the relevant physical commodity and will have certain other risks***

The price of a futures contract on a commodity will generally be at a premium or at a discount to the spot price of the underlying commodity. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g., warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Commodity Linked Securities which are linked to commodity futures contracts may provide a different return than Commodity Linked Securities linked to the relevant physical commodity.

Investments in futures contracts involve certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain commodity exchanges limit fluctuations in such futures contract prices pursuant to "daily limits". Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in the contract can neither be taken nor liquidated unless holders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Any such losses in such circumstances could have a negative adverse effect on the return of any Securities the Reference Asset of which is the affected futures contract.

In the case of a direct investment in commodity futures contracts, the invested capital may be applied in whole or in part by way of collateral in respect of the future claims of the respective counterparties under the commodity futures contracts. Such capital will generally bear interest, and the interest yield will increase the return of the investor making such direct investment. However, Holders of Securities linked to the price of commodity futures contracts do not

participate in such interest yields from the hypothetical fully collateralised investment in commodity futures contracts.

(d) ***Additional risks in relation to the "rolling" of commodity futures contracts (including commodity futures contracts which are Components of a Commodity Index)***

Commodity contracts have a predetermined expiration date - i.e. a date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical commodity or the requirement to make or receive a cash settlement. Alternatively, "rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "near-dated commodity contracts") are sold before they expire and commodity contracts that have an expiration date further in the future (the "longer-dated commodity contracts") are purchased. Investments in commodities apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities.

"Rolling" can affect the value of an investment in commodities in a number of ways, including:

- (i) ***The investment in commodity contracts may be increased or decreased through "rolling"***: Where the price of a near-dated commodity contract is greater than the price of the longer-dated commodity contract (the commodity is said to be in "backwardation"), then "rolling" from the former to the latter will result in exposure to a greater number of the longer-dated commodity contract being taken. Therefore, any loss or gain on the new positions for a given movement in the prices of the commodity contract will be greater than if one had synthetically held the same number of commodity contracts as before the "roll". Conversely, where the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract (the commodity is said to be in "contango"), then "rolling" will result in exposure to a smaller number of the longer-dated commodity contract being taken. Therefore, any gain or loss on the new positions for a given movement in the prices of the commodity contract will be less than if one had synthetically held the same number of commodity contracts as before the "roll".
- (ii) ***Where a commodity contract is in contango (or, alternatively, backwardation) such may be expected to (though it may not) have a negative (or, alternatively, positive) effect over time***: Where a commodity contract is in "contango", then the price of the longer-dated commodity contract will generally be expected to (but may not) decrease over time as it nears expiry. In such event, rolling is generally expected to have a negative effect on an investment in the commodity contract. Where a commodity contract is in "backwardation", then the price of the longer-dated commodity contract will generally be expected to (but may not) increase over time as it nears expiry. In such event, the investment in the relevant commodity contract can generally be expected to be positively affected.

In the case of Commodity Linked Securities which are linked to a Commodity which is a commodity contract, the referenced commodity contract will simply be changed without liquidating or entering into any positions in the commodity contracts. Accordingly, the effects of "rolling" described above do not apply directly on the Reference Asset and the Securities. Thus, an investor will not participate directly in possible effects of "rolling". However, other market participants may act in accordance with the mechanism of "rolling" and such behaviour may have an indirect adverse impact on the value of the Reference Asset of the Securities.

Commodity indices are indices which track the performance of a basket of commodity contracts on certain commodities, depending on the particular index. The weighting of the respective commodities included in a commodity index will depend on the particular index, and is generally described in the relevant index rules of the index. Commodity indices apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities. Specifically, as a commodity contract is required to be rolled pursuant to the relevant index rules, the commodity index is calculated as if exposure to the commodity

contract was liquidated and exposure was taken to another (generally longer-dated) commodity contract for an equivalent exposure. Accordingly, the same effects as described above with regard to "rolling" on the value of a Commodity Reference Asset also apply with regard to the index level of a Commodity index.

(e) ***Legal and regulatory changes relating to the Commodities may lead to an early redemption***

Commodities are subject to legal and regulatory regimes that may change in ways that could affect the ability of the Issuer and/or any entities acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Securities to hedge the Issuer's obligations under the Securities, and/or could lead to the early redemption of the Securities.

Commodities are subject to legal and regulatory regimes in the United States and, in some cases, in other countries that may change in ways that could negatively affect the value of the Securities. For example, the United States House of Representatives and the United States Senate have considered legislation intended to decrease speculation and increase transparency in the commodities markets. If enacted such legislation may, among other things, require the U.S. Commodity Futures Trading Commission ("CFTC") or exchanges to adopt rules establishing position limits on positions in commodity futures contracts.

In addition, if the Calculation Agent determines that a Commodity Hedging Disruption (if applicable in respect of the Securities) or Hedging Disruption has occurred, including any legal or regulatory changes that the Calculation Agent determines have interfered with the ability of the Issuer and/or any entities acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Securities to hedge the Issuer's obligations under the Securities, or if for any other reason Issuer and/or any entities acting on behalf of the Issuer engaged in any underlying or hedging transactions in respect of the Issuer's obligations in relation to the Securities is/are unable to enter into or maintain hedge positions to hedge the Issuer's obligations under the Securities, the Issuer may, in its sole and absolute discretion, redeem the Securities prior to maturity by payment of an Early Payment Amount which may be less than the purchase price of the Securities (or, in the case of a Hedging Disruption, may amend the terms of the Securities instead as it determines appropriate to account for such event). If the payment on the Securities is accelerated, a Holder's investment may result in a loss and a Holder may not be able to reinvest the proceeds in a comparable investment.

4.6 Risks associated with baskets comprised of various constituents as Reference Assets

(a) ***Exposure to performance of basket and its underlying constituents***

Where the Securities reference a basket of assets as Reference Assets, the investors in such Securities are exposed to the performance of such basket. The investors will bear the risk of the performance of each of the basket constituents. See, as applicable, risk factors 4.1 (*Risks associated with Shares as Reference Assets*), 4.2 (*Risks associated with Depositary Receipts (comprising American Depositary Receipts ("ADRs") and Global Depositary Receipts ("GDRs")) as Reference Assets*), 4.3 (*Risks associated with Indices as Reference Assets*), 4.4 (*Risks associated with Foreign Exchange Rates as Reference Assets*) and 4.5 (*Risks associated with Commodities as Reference Assets*).

(b) ***A high correlation of basket constituents may have a significant effect on amounts payable***

Correlation of basket constituents indicates the level of interdependence among the individual basket constituents with respect to their performance. If, for example, all of the basket constituents originate from the same sector and the same country, a high positive correlation may generally be assumed. Past rates of correlation may not be determinative of future rates of correlation: investors should be aware that, though basket constituents may not appear to be correlated based on past performance, it may be that they suffer the same adverse performance following a general downturn or other economic or political event. Where the basket constituents are subject to high correlation, any move in the performance of the basket constituents will exaggerate the performance of the Securities.

- (c) ***The negative performance of a single basket constituent may outweigh a positive performance of one or more other basket constituents***

Investors in Securities must be aware that even in the case of a positive performance of one or more basket constituents, the performance of the basket as a whole may be negative if the performance of the other basket constituents is negative to a greater extent, subject to the terms and conditions of the relevant Securities.

- (d) ***A small basket, or an unequally weighted basket, will generally leave the basket more vulnerable to changes in the value of any particular basket constituent***

The performance of a basket that includes a fewer number of basket constituents will generally, subject to the terms and conditions of the relevant Securities, be more affected by changes in the value of any particular basket constituent included therein than a basket that includes a greater number of basket constituents.

The performance of a basket that gives greater weight to some basket constituents will generally, subject to the terms and conditions of the relevant Securities, be more affected by changes in the value of any such particular basket constituent included therein than a basket that gives relatively equal weight to each basket constituent.

- (e) ***A change in composition of a basket may have an adverse effect on basket performance***

Where the Securities grant the Calculation Agent the right, in certain circumstances, to adjust the composition of the basket, investors should be aware that any replacement basket constituent may perform differently from the original basket constituent, which may have an adverse effect on the performance of the basket.

5. Risk factors associated with Securities that include certain features

- 5.1 **The inclusion of an Issuer call option in respect of Securities will generally mean that (i) the Holder will not be able to participate in any future upside performance of the underlying Reference Asset(s) following the effective date of the Issuer call option, (ii) the market value of the Securities may be limited and (iii) if the call option is exercised, the Holder may not be able to reinvest the proceeds at an effective interest rate as high as any interest rate on the Securities**

Where the terms and conditions of the Securities provide that the Issuer has the right to call for the termination of such Securities, following the exercise by the Issuer of such issuer call option, an investor in such Securities will no longer be able to realise his or her expectations for a gain in the value of such Securities and, if applicable, will no longer participate in the performance of the Reference Asset(s).

An optional redemption feature of Securities is likely to limit their market value. During any period when the Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest rate on the Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities being redeemed and may only be able to do so at a significantly lower rate. Investors should consider reinvestment risk in light of other investments available at that time.

- 5.2 **There are specific risks with regard to Market Access Participation Notes and other "market access" Securities issued under the Programme**

Market Access Participation Notes are issued at a price linked to the value of the underlying shares on particular trading days during a fixing period. At maturity (or early redemption) a Holder will not receive the principal amount of its investment but instead will receive an amount calculated as a percentage of the weighted average sale price of the underlying shares over a valuation period (or such other price as may be specified in the relevant Final Terms)

less deductions for local taxes (if any) and other costs which would have been incurred had the underlying shares been held by such Holder (qualifying as a foreign or non-resident institutional investor) directly (unless otherwise set forth in the relevant Final Terms). The valuation period will be the number of business days following the redemption date that would have been required for a holder of the underlying shares to complete the sale of the equivalent position on the stock exchange on which such shares are primarily traded. Generally, returns to investors in Market Access Participation Notes will be payable in U.S. Dollars or another currency other than the currency in which the shares are denominated. Changes in the rate of exchange between the currency in which the underlying shares are denominated and that in which returns are payable to Holders will affect the return to investors. There may be other types of such "market access" Securities issued under the Programme, which Securities will also be subject to such risks. **INVESTORS IN MARKET ACCESS PARTICIPATION NOTES (AND OTHER "MARKET ACCESS" SECURITIES) MAY LOSE UP TO THE ENTIRE VALUE OF THEIR INVESTMENT.**

5.3 **There are specific risks with regard to LEPW Securities**

Each investor in any Securities that are Low Exercise Price Warrants ("**LEPWs**") will be required to represent that the purpose of the acquisition of such Securities is to secure a profit or minimise a loss by reference to fluctuations in the price of the underlying Reference Asset. Accordingly, each investor must agree that it is an express term of such LEPWs that (i) such investor does not acquire any interest in or right to acquire any underlying Reference Assets by virtue of holding any such LEPWs, (ii) none of such investor, the relevant Issuer, the Guarantor (if any) or any other Hedging Entity is obliged to sell, purchase, hold, deliver, pledge, transfer or receive any underlying Reference Asset, (iii) the primary right of such investor and the primary obligation of the relevant Issuer under any such LEPWs is to receive or make the respective payments referred to in the relevant General Conditions and (iv) such investor will not in any way have any rights with respect to any underlying Reference Asset including, but not limited to, voting rights.

There are no regulations, published rulings or judicial decisions which address the characterisation for U.S. federal income tax purposes of securities with terms substantially the same as those of LEPWs. No assurance can be given that the U.S. Internal Revenue Service (the "**IRS**") will not assert a characterisation of the LEPWs that, if sustained, could cause the amount, timing, character or source of income, gain or loss on LEPWs to differ materially from that described in the section entitled "U.S. Taxation".

Gain on the disposition (or certain deemed dispositions) of LEPWs, payments on which are calculated with reference to underlying shares of corporations which are, among other things, passive foreign investment companies may be treated as gain from "constructive ownership transactions" for U.S. federal income tax purposes. Part or all of this gain could be treated as ordinary income, and could be subject to an interest charge for the underpayment of tax for each taxable year during which the relevant LEPWs were held. See the section entitled "Taxation—United States Federal Income Taxation—Specific Considerations for U.S. Holders of LEPWs".

5.4 **There are specific risks with regard to Zero Coupon Securities**

Changes in market interest rates have a greater impact on the prices of zero coupon bonds than on the prices of ordinary bonds because the discounted issue prices may be substantially below par. If market interest rates increase, zero coupon bonds can suffer higher price losses than other bonds having the same maturity and credit rating. Due to their leverage effect, zero coupon bonds are a type of investment associated with a particularly high price risk.

5.5 **There are specific risks with regard to Floating Rate Securities and/or Securities linked to a floating rate**

A key difference between Floating Rate Securities and Fixed Rate Securities is that interest income on Floating Rate Securities cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Securities at the time they invest in them, so that their return on investment cannot be compared with that of investments

having longer fixed interest periods. If the terms and conditions of the Securities provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer's ability to issue Fixed Rate Securities may affect the market value and secondary market (if any) of the Floating Rate Securities (and vice versa).

5.6 **There are specific risks related to the structure of Credit Linked Notes**

In the event of the occurrence of certain circumstances specified in the relevant Final Terms, the Issuer's obligation to pay principal may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Asset(s) and/or to deliver the Reference Asset(s)'s direct or indirect obligations. In addition, interest bearing Credit Linked Notes may cease to bear interest on or prior to the date of occurrence of such circumstances. The value, redemption amount and return to an investor in respect of such Notes may be dramatically affected by such credit linkage and/or the occurrence of a Credit Event in respect of any applicable Reference Entity.

There may exist at times only small markets for the Credit Linked Notes and for the obligations of the Reference Entity to which the Notes are linked, resulting in low or non-existent volumes of trading in the Notes and such obligations, and therefore a lack of liquidity and price volatility of the Notes and such obligations.

If the terms of the Credit Linked Notes so provide, credit losses may be determined on the basis of a market auction; such losses may be greater than the losses which would have been determined in the absence of such auction. In particular, the auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. Auctions may be conducted by the International Swaps and Derivatives Association, Inc. or by a relevant third party. None of the Issuer, the Calculation Agent and any of their respective affiliates has any responsibility for verifying that any auction price is reflective of current market values for establishing any auction methodology or for verifying that any auction has been conducted in accordance with its rules. If the Issuer, the Calculation Agent or any of their respective affiliates participates in any auction for the purposes of such an auction, then it will do so without regard to the interests of the Holders. Such participation may have a material effect on the outcome of the relevant auction.

In making any selection in accordance with the terms of the Credit Linked Notes, the Calculation Agent is under no obligation to the Holders or any other person and provided that the relevant selection meets the criteria specified, the Calculation Agent will not be liable to account to the Holders or any other person for any profit or other benefit to it or any of its affiliates which may result directly or indirectly from any such selection.

In addition, the Issuer and its affiliates may, for their own account and for the account of customers, engage in any kind of transactions and other business directly or indirectly involving a Reference Entity and may act with respect to such business in the same manner as it would if the Notes had not been issued, regardless of whether any such action might have an adverse effect directly or indirectly on a Reference Entity. The Issuer and its affiliates may on the Issue Date of the Credit Linked Notes or at any time thereafter be in possession of information in relation to a Reference Entity that is or may be material in the context of the issue of Credit Linked Notes and that may not be publicly available or known to the investors. There is no obligation on the part of the Issuer or its affiliates to disclose to the Holders any such relationship or information. See the section entitled "Conflicts of Interest".

5.7 **There are certain risk in Securities that include an averaging feature**

The calculation of the performance of a Reference Asset in respect of certain Securities may be based on the average of the price or level or other measure of such Reference Asset over two or more Initial Averaging Dates or Averaging Dates (as applicable). The effect of such averaging may be that the performance of the Reference Asset will not increase proportionately if the price or level or other measure of the Reference Asset sharply increases

towards the end of the term (or temporarily during the term, or towards the end of an initial valuation period, as applicable). Accordingly, the effect of the averaging feature may be to lead to a reduced performance (and therefore a reduced return on the relevant Securities) than if the performance of the Reference Asset was measured on a single valuation date. On the other hand, a temporary decrease of price or level or other measure of the Reference Asset will also not lead to a proportionate decrease of the performance of the Reference Asset if the price or level or other measure of the Reference Asset has been correspondingly higher on the remaining Initial Averaging Dates or Averaging Dates (as applicable).

5.8 Holders must exercise Warrants or risk loss of investment

Where the terms and conditions of the Warrants provide that the Warrants must be exercised in order for the purchasers of the Warrants to receive their settlement amount in respect of such Warrants, and the Warrants are not designated as "Automatic Exercise Warrants", the purchasers of such Warrants must exercise their rights to receive payment in accordance with the terms and conditions of such Warrants and the requirements of relevant clearing systems or the Relevant Programme Agent, as applicable, otherwise they may lose their initial investment.

5.9 There will be a time lag between the time a Holder gives instructions to exercise and the time the applicable Cash Settlement Amount or deliverable Reference Asset relating to such exercise is determined, and such time lag could decrease the Cash Settlement Amount or the value of the deliverable Reference Asset, as the case may be

Unless otherwise specified in the relevant Final Terms, in the case of any exercise of Securities, there will be a time lag between the time a Holder gives instructions to exercise and the time the applicable Cash Settlement Amount and/or deliverable Reference Asset relating to such exercise is determined. Any such delay between the time of exercise and the determination of the Cash Settlement Amount and/or deliverable Reference Asset will be specified in the relevant Final Terms or Conditions. However, such delay could be significantly longer, particularly in the case of a delay in the exercise of Securities arising from any daily maximum exercise limitation, or following the imposition of any exchange controls, other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) or, if there is any Settlement Disruption Event, Disrupted Day, FX Disruption Event or Market Disruption Event on a date on which the Reference Asset(s) is to be valued or other adjustment event or a date upon which delivery of the Reference Asset(s) was due to occur. The applicable Cash Settlement Amount and/or deliverable Reference Asset may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount and/or the value of deliverable Reference Asset(s) of the Securities being exercised and, in the case of cash settled Securities, may result in such Cash Settlement Amount being zero.

5.10 There are certain risks inherent in respect of Warrants which may only be exercised in a specified minimum number (and integral multiples of Warrants thereafter)

Where the terms and conditions of the Warrants provide that a purchaser must tender a specified minimum number of Warrants and integral multiples of Warrants thereafter at any one time in order to exercise, purchasers with fewer than the specified minimum number of Warrants or specified multiples thereof will either have to sell their Warrants or purchase additional Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, purchasers of such Warrants incur the risk that there may be differences between the trading price of such Warrants and the Settlement Amount of such Warrants.

5.11 Holders cannot exercise "European Style" Warrants during their term

"European Style" Warrants cannot be exercised during their term. Consequently, the date on which the Settlement Amount is calculated is predetermined in the Conditions of such Warrants and such Warrants cannot be exercised by the Holder on any other day during the term of the Warrants.

6. Risk factors that may affect the relevant Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities

6.1 JPMorgan Chase's results of operations have been, and may continue to be, adversely affected by U.S. and international financial market and economic conditions

JPMorgan Chase's businesses have been, and in the future will continue to be, materially affected by economic and market conditions, including factors such as the liquidity of the global financial markets; the level and volatility of debt and equity prices, interest rates and currency and commodities prices; investor sentiment; corporate or other scandals that reduce confidence in the financial markets; inflation; the availability and cost of capital and credit; the occurrence of natural disasters, acts of war or terrorism; and the degree to which U.S. or international economies are expanding or experiencing recessionary pressures. These factors can affect, among other things, the activity levels of clients with respect to the size, number and timing of transactions involving JPMorgan Chase's investment and commercial banking businesses, including its underwriting and advisory businesses; the realisation of cash returns from JPMorgan Chase's private equity and principal investments businesses; the volume of transactions that JPMorgan Chase executes for its customers and, therefore, the revenue that it receives from commissions and spreads; the number and size of underwritings that JPMorgan Chase manages on behalf of clients; and the willingness of financial sponsors or other investors to participate in loan syndications or underwritings managed by JPMorgan Chase.

JPMorgan Chase generally maintains large trading portfolios in the fixed income, currency, commodity and equity markets and may have from time to time significant positions, including positions in securities in markets that lack pricing transparency or liquidity. The revenue derived from mark-to-market values of JPMorgan Chase's businesses are affected by many factors, including JPMorgan Chase's credit standing; its success in effectively hedging its market and other risks; volatility in interest rates and equity, debt and commodities markets; credit spreads and availability of liquidity in the capital markets; and other economic and business factors. JPMorgan Chase anticipates that revenue relating to its trading and principal investment businesses will continue to experience volatility and there can be no assurance that such volatility relating to the above factors or other conditions that may affect pricing or JPMorgan Chase's ability to realise returns from such investments could not materially adversely affect JPMorgan Chase's earnings.

The fees that JPMorgan Chase earns for managing third-party assets are also dependent upon general economic conditions. For example, a higher level of U.S. or non-U.S. interest rates or a downturn in trading markets could affect the valuations of the third-party assets that JPMorgan Chase manages or holds in custody, which, in turn, could affect JPMorgan Chase's revenue. Moreover, even in the absence of a market downturn, below-market or sub-par performance by JPMorgan Chase's investment management businesses could result in outflows of assets under management and supervision and, therefore, reduce the fees that JPMorgan Chase receives.

During 2008, U.S. and global financial markets were extremely volatile and were materially and adversely affected by a significant lack of liquidity, loss of confidence in the financial sector, disruptions in the credit markets, reduced business activity, rising unemployment, declining home prices, and erosion of consumer confidence. These factors contributed to adversely affecting JPMorgan Chase's business, financial condition and results of operations in 2008 and into early 2009. While the business environment stabilised during the latter half of 2009, the current economic environment remains weak, which affects the profitability of JPMorgan Chase's businesses.

JPMorgan Chase's consumer businesses are particularly affected by U.S. domestic economic conditions. Such conditions include U.S. interest rates; the rate of unemployment; housing prices; the level of consumer confidence; changes in consumer spending; and the number of personal bankruptcies, among others. The deterioration of these conditions can diminish demand for the products and services of JPMorgan Chase's consumer businesses, or increase the cost to provide such products and services. In addition, adverse economic conditions, such as declines in home prices, could lead to an increase in mortgage and other loan delinquencies and higher net charge-offs, which can adversely affect JPMorgan Chase's earnings.

During 2008 and continuing in 2009, higher levels of bank failures have dramatically increased resolution costs of the U.S. Federal Deposit Insurance Corporation ("**FDIC**") and depleted the deposit insurance fund. In order to maintain a strong funding position and restore reserve ratios of the deposit insurance fund, the FDIC has increased assessment rates of insured institutions and adopted a rule in November 2009 requiring banks to prepay three years' worth of premiums to replenish the depleted insurance fund. If there are additional bank or financial institution failures, JPMorgan Chase may be required to pay even higher FDIC premiums than the recently increased levels. Any future increases of FDIC insurance premiums may adversely impact JPMorgan Chase's earnings.

In connection with the sale and securitisation of loans (whether with or without recourse), the originator is generally required to make a variety of customary representations and warranties regarding both the originator and the loans being sold or securitised. JPMorgan Chase and certain of its subsidiaries, as well as entities acquired by JPMorgan Chase as part of the merger (the "**Bear Stearns Merger**") by JPMorgan Chase and The Bear Stearns Companies Inc. ("**Bear Stearns**"), the acquisition of Washington Mutual Bank's ("**Washington Mutual**") banking operations (the "**Washington Mutual Transaction**") and other transactions, have made such representations and warranties in connection with the sale and securitisation of loans, and JPMorgan Chase will continue to do so in the ordinary course of its lending business. If a loan which does not comply with such representations or warranties is sold or securitised, JPMorgan Chase may be obligated to repurchase the loan and bear any associated loss directly, or it may be obligated to indemnify the purchaser against any such losses. In 2009, the costs of repurchasing mortgage loans that had been sold to government agencies such as Freddie Mac and Fannie Mae increased substantially, and could continue to increase substantially further. Accordingly, repurchase and/or indemnity obligations to government-sponsored enterprises or to private third-party purchasers could materially and adversely affect JPMorgan Chase's results of operations and earnings in the future.

JPMorgan Chase cannot provide assurance that any of the above-mentioned conditions, or further continued deterioration in economic, market or business conditions, will not have a material negative effect on JPMorgan Chase in the future.

6.2 **If JPMorgan Chase does not effectively manage its liquidity, its business could be negatively affected**

JPMorgan Chase's liquidity is critical to its ability to operate its businesses, grow and be profitable. Some potential conditions that could negatively affect JPMorgan Chase's liquidity include illiquid or volatile markets, diminished access to capital markets, unforeseen cash or capital requirements (including, among others, commitments that may be triggered to special purpose entities ("**SPEs**") or other entities), difficulty or inability to sell assets, unforeseen outflows of cash or collateral, and lack of market or customer confidence in JPMorgan Chase or its prospects. These conditions may be caused by events over which JPMorgan Chase has little or no control. For example, the liquidity crisis experienced in 2008 and into early 2009 increased JPMorgan Chase's cost of funding and limited its access to some of its traditional sources of liquidity such as securitised debt offerings backed by mortgages, loans, credit card receivables and other assets. These or other conditions detrimental to JPMorgan Chase's liquidity may occur in the future.

The credit ratings of JPMorgan Chase & Co., JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A. are important in order to maintain JPMorgan Chase's liquidity. A reduction in their credit ratings could have an adverse effect on JPMorgan Chase's access to liquidity sources, increase its cost of funds, trigger additional collateral or funding requirements, and decrease the number of investors and counterparties willing to lend to JPMorgan Chase, thereby curtailing its business operations and reducing its profitability. Reduction in the ratings of certain SPEs or other entities to which JPMorgan Chase has a funding or other commitment could also negatively affect its liquidity where such ratings changes lead, directly or indirectly, to JPMorgan Chase being required to purchase assets or otherwise provide funding. Critical factors in maintaining high credit ratings include a stable and diverse earnings stream, strong capital ratios, strong credit quality and risk management controls, diverse funding sources, and disciplined liquidity monitoring procedures.

JPMorgan Chase's cost of obtaining long-term unsecured funding is directly related to its credit spreads (the amount in excess of the interest rate of U.S. Treasury securities (or other benchmark securities) of the same maturity that JPMorgan Chase needs to pay to its debt investors). Increases in JPMorgan Chase's credit spreads can significantly increase the cost of this funding. Changes in credit spreads are continuous and market-driven, and influenced by market perceptions of JPMorgan Chase's creditworthiness. As such, JPMorgan Chase's credit spreads may be unpredictable and highly volatile.

As a holding company, JPMorgan Chase & Co. relies on the earnings of its subsidiaries for its cash flow and consequent ability to pay dividends and satisfy its obligations. These payments by subsidiaries may take the form of dividends, loans or other payments. Several of JPMorgan Chase & Co.'s principal subsidiaries are subject to capital adequacy requirements or other regulatory or contractual restrictions on their ability to provide such payments. Limitations in the payments that JPMorgan Chase & Co. receives from its subsidiaries could negatively affect its liquidity position.

6.3 **The financial condition of JPMorgan Chase's customers, clients and counterparties, including other financial institutions, could adversely affect JPMorgan Chase**

A number of JPMorgan Chase's products expose it to credit risk, including loans, leases and lending commitments, derivatives, trading account assets and assets held-for-sale. As one of the largest lenders in the United States, JPMorgan Chase has exposures to many different products and counterparties, and the credit quality of JPMorgan Chase's exposures can have a significant impact on its earnings. JPMorgan Chase estimates and establishes reserves for credit risks and potential credit losses inherent in its credit exposure (including unfunded lending commitments). This process, which is critical to JPMorgan Chase's financial results and condition, requires difficult, subjective and complex judgments, including forecasts of how economic conditions might impair the ability of JPMorgan Chase's borrowers to repay their loans. As is the case with any such assessments, there is always the chance that JPMorgan Chase will fail to identify the proper factors or that it will fail to accurately estimate the impact of factors that it identifies. Any such failure could result in increases in delinquencies and default rates.

Financial services institutions are interrelated as a result of trading, clearing, counterparty, or other relationships. JPMorgan Chase routinely executes transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional clients. Many of these transactions expose JPMorgan Chase to credit risk in the event of default by the counterparty or client, which can be exacerbated during periods of market illiquidity, such as those experienced in 2008 and early 2009. During such periods, JPMorgan Chase's credit risk also may be further increased when the collateral held by it cannot be realised upon or is liquidated at prices that are not sufficient to recover the full amount of the loan or derivative exposure due to it. In addition, disputes with counterparties as to the valuation of collateral significantly increases in times of market stress and illiquidity. JPMorgan Chase cannot provide assurance that any such losses would not materially and adversely affect its results of operations or earnings.

An example of the risks associated with JPMorgan Chase's relationships with other financial institutions is the collapse of Lehman Brothers Holdings Inc. ("**LBHI**"). On 15 September 2008, LBHI filed a voluntary petition for relief under Chapter 11 of Title 11 of the U.S. Code (the "**Bankruptcy Code**") in the U.S. Bankruptcy Court for the Southern District of New York, and thereafter several of its subsidiaries also filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (LBHI and such subsidiaries collectively, "**Lehman**"). On 19 September 2008, a liquidation case under the U.S. Securities Investor Protection Act ("**SIPA**") was commenced in the United States District Court for the Southern District of New York for Lehman Brothers Inc. ("**LB**"), LBHI's U.S. broker-dealer subsidiary, and that court now presides over the LBI SIPA liquidation case. JPMorgan Chase was LBI's clearing bank and, among other actions, made collateral calls totalling approximately U.S.\$8 billion in September 2008 and liquidated approximately U.S.\$18 billion of securities subsequent to Lehman's bankruptcy filing. JPMorgan Chase is the largest secured creditor in the Lehman and LBI cases, according to Lehman's schedules. It is possible that claims may be asserted against JPMorgan Chase and/or its security interests, including by the LBHI Creditors

Committee, the SIPA trustee appointed in the LBI liquidation case, the principal acquirer of LBI's assets, and others in connection with Lehman and LBI cases. JPMorgan Chase intends to defend itself against any such claims.

If the current weak economic environment continues for an extended period of time, or deteriorates further, there is a greater likelihood that more of JPMorgan Chase's customers or counterparties could become delinquent on their loans or other obligations to JPMorgan Chase which, in turn, could result in a higher level of charge-offs and provision for credit losses, or requirements that JPMorgan Chase purchase assets or provide other funding, any of which could adversely affect JPMorgan Chase's financial condition. Moreover, a significant deterioration in the credit quality of one of JPMorgan Chase's counterparties could lead to concerns about the credit quality of other counterparties in the same industry, thereby exacerbating JPMorgan Chase's credit risk exposure, and increasing the losses, including mark-to-market losses, that JPMorgan Chase could incur in its trading and clearing businesses.

6.4 Concentration of credit and market risk could increase the potential for significant losses

JPMorgan Chase has exposure to increased levels of risk when a number of customers are engaged in similar business activities or activities in the same geographic region, or when they have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic conditions. JPMorgan Chase regularly monitors various segments of its portfolio exposures to assess potential concentration risks. JPMorgan Chase's efforts to diversify or hedge its credit portfolio against concentration risks may not be successful and any concentration of credit risk could increase the potential for significant losses in its credit portfolio. In addition, disruptions in the liquidity or transparency of the financial markets may result in JPMorgan Chase's inability to sell, syndicate or realise upon securities, loans or other instruments or positions held by JPMorgan Chase, thereby leading to increased concentrations of such positions. These concentrations could expose JPMorgan Chase to losses if the mark-to-market value of the securities, loans or other instruments or positions decline causing JPMorgan Chase to take write downs. Moreover, the inability to reduce positions not only increases the market and credit risks associated with such positions, but also increases the level of risk-weighted assets on JPMorgan Chase's balance sheet, thereby increasing its capital requirements and funding costs, all of which could adversely affect the operations and profitability of JPMorgan Chase's businesses.

6.5 JPMorgan Chase's framework for managing risks may not be effective in mitigating risk and loss to it

JPMorgan Chase's risk management framework seeks to mitigate risk and loss to it. JPMorgan Chase has established processes and procedures intended to identify, measure, monitor, report and analyse the types of risk to which JPMorgan Chase is subject, including liquidity risk, credit risk, market risk, interest rate risk, operational risk, legal and fiduciary risk, reputational risk and private equity risk, among others. However, as with any risk management framework, there are inherent limitations to JPMorgan Chase's risk management strategies as there may exist, or develop in the future, risks that JPMorgan Chase has not appropriately anticipated or identified. If its risk management framework proves ineffective, JPMorgan Chase could suffer unexpected losses and could be materially adversely affected.

JPMorgan Chase's risk management strategies may not be effective because in a difficult or less liquid market environment other market participants may be attempting to use the same or similar strategies to deal with the difficult market conditions. In such circumstances, it may be difficult for JPMorgan Chase to reduce its risk positions due to the activity of such other market participants.

JPMorgan Chase's derivatives businesses may expose it to unexpected market, credit and operational risks that could cause JPMorgan Chase to suffer unexpected losses. Severe declines in asset values, unanticipated credit events, or unforeseen circumstances that may cause previously uncorrelated factors to become correlated (and vice versa) may create losses resulting from risks not appropriately taken into account in the development, structuring or pricing of a derivative instrument. In addition, certain of JPMorgan Chase's derivative transactions require the physical settlement by delivery of securities, commodities or

obligations that JPMorgan Chase does not own; if JPMorgan Chase is not able to obtain such securities, commodities or obligations within the required timeframe for delivery, this could cause JPMorgan Chase to forfeit payments otherwise due to it and could result in settlement delays, which could damage JPMorgan Chase's reputation and ability to transact future business. In addition, in situations where derivatives transactions are not settled or confirmed on a timely basis, JPMorgan Chase may be subject to heightened credit and operational risk, and in the event of a default, JPMorgan Chase may find the contract more difficult to enforce. Further, as new and more complex derivative products are created, disputes regarding the terms or the settlement procedures of the contracts could arise, which could force JPMorgan Chase to incur unexpected costs, including transaction and legal costs, and impair its ability to manage effectively its risk exposure from these products.

Many of JPMorgan Chase's hedging strategies and other risk management techniques have a basis in historic market behaviour, and all such strategies and techniques are based to some degree on management's subjective judgment. For example, many models used by JPMorgan Chase are based on assumptions regarding correlations among prices of various asset classes or other market indicators. In times of market stress, such as occurred during 2008, or in the event of other unforeseen circumstances, previously uncorrelated indicators may become correlated, or conversely, previously correlated indicators may make unrelated movements. These sudden market movements or unanticipated or unidentified market or economic movements have in some circumstances limited the effectiveness of JPMorgan Chase's risk management strategies, causing it to incur losses. In addition, as JPMorgan Chase's businesses change and grow and the markets in which they operate continue to evolve, JPMorgan Chase's risk management framework may not always keep sufficient pace with those changes. For example, there is the risk that the credit and market risks associated with new products or new business strategies may not be appropriately identified, monitored or managed. JPMorgan Chase cannot provide assurance that its risk management framework, including its underlying assumptions or strategies, will at all times be accurate and effective.

6.6 JPMorgan Chase's operations are subject to risk of loss from unfavourable economic, monetary, political, legal and other developments in the United States and around the world

JPMorgan Chase's businesses and earnings are affected by the fiscal and other policies that are adopted by various regulatory authorities of the United States, non-U.S. governments and international agencies.

The Board of Governors of the Federal Reserve System regulates the supply of money and credit in the United States. Its policies determine in large part the cost of funds for lending and investing and the return earned on those loans and investments. The market impact from such policies can also materially decrease the value of financial assets that JPMorgan Chase holds, such as debt securities and mortgage servicing rights ("**MSRs**"). Federal Reserve policies also can adversely affect borrowers, potentially increasing the risk that they may fail to repay their loans or satisfy their obligations to JPMorgan Chase. Changes in Federal Reserve policies are beyond JPMorgan Chase's control and, consequently, the impact of these changes on its activities and results of operations is difficult to predict.

JPMorgan Chase's businesses and revenue are also subject to the risks inherent in maintaining international operations and in investing and trading in securities of companies worldwide. These risks include, among others, risk of loss from the outbreak of hostilities or acts of terrorism and various unfavourable political, economic, legal or other developments, including social or political instability, changes in governmental policies or policies of central banks, expropriation, nationalisation, confiscation of assets, price controls, capital controls, exchange controls, and changes in laws and regulations. Further, various countries in which JPMorgan Chase operates or invests, or in which it may do so in the future, have in the past experienced severe economic disruptions particular to that country or region, including extreme currency fluctuations, high inflation, or low or negative growth, among other negative conditions. Crime, corruption, war or military actions, acts of terrorism and a lack of an established legal and regulatory framework are additional challenges in some of these countries, particularly in certain emerging markets. Revenue from international operations and trading in non-U.S. securities may be subject to negative fluctuations as a result of the above considerations. The

impact of these fluctuations could be accentuated as some trading markets are smaller, less liquid and more volatile than larger markets. Also, any of the above-mentioned events or circumstances in one country can, and has in the past, affected JPMorgan Chase's operations and investments in another country or countries, including its operations in the United States. Any such unfavourable conditions or developments could have an adverse impact on JPMorgan Chase's business and results of operations.

6.7 JPMorgan Chase's power generation and commodities activities are subject to extensive regulation, potential catastrophic events and environmental risks and regulation that may expose JPMorgan Chase to significant cost and liability

JPMorgan Chase engages in power generation, and in connection with the commodities activities of its Investment Bank, engages in the storage, transportation, marketing or trading of several commodities, including metals, agricultural products, crude oil, oil products, natural gas, electric power, emission credits, coal, freight, and related products and indices. JPMorgan Chase has also invested in companies engaged in wind energy and in sourcing, developing and trading emission reduction credits. As a result of these activities, JPMorgan Chase is subject to extensive and evolving energy, commodities, environmental, and other governmental laws and regulations. JPMorgan Chase expects laws and regulations affecting its power generation and commodities activities to expand in scope and complexity. JPMorgan Chase may incur substantial costs in complying with current or future laws and regulations and the failure to comply with these laws and regulations may result in substantial civil and criminal fines and penalties. In addition, liability may be incurred without regard to fault under certain environmental laws and regulations for remediation of contaminations. JPMorgan Chase's power generation and commodities activities also further expose it to the risk of unforeseen and catastrophic events, including natural disasters, leaks, spills, explosions, release of toxic substances, fires, accidents on land and at sea, wars, and terrorist attacks that could result in personal injuries, loss of life, property damage, damage to JPMorgan Chase's reputation and suspension of operations. In addition, JPMorgan Chase's power generation activities are subject to disruptions, many of which are outside its control, from the breakdown or failure of power generation equipment, transmission lines or other equipment or processes, and the contractual failure of performance by third-party suppliers or service providers, including the failure to obtain and deliver raw materials necessary for the operation of power generation facilities. JPMorgan Chase actions to mitigate its risks related to the above-mentioned considerations may not prove adequate to address every contingency. In addition, insurance covering some of these risks may not be available, and the proceeds, if any, from insurance recovery may not be adequate to cover liabilities with respect to particular incidents. As a result, JPMorgan Chase's financial condition and results of operations may be adversely affected by such events.

6.8 JPMorgan Chase relies on its systems, employees and certain counterparties, and certain failures could materially adversely affect JPMorgan Chase's operations

JPMorgan Chase's businesses are dependent on its ability to process, record and monitor a large number of increasingly complex transactions. If any of its financial, accounting, or other data processing systems fail or have other significant shortcomings, JPMorgan Chase could be materially adversely affected. JPMorgan Chase is similarly dependent on its employees. JPMorgan Chase could be materially adversely affected if one of its employees causes a significant operational break-down or failure, either as a result of human error or where an individual purposefully sabotages or fraudulently manipulates its operations or systems. Third parties with which JPMorgan Chase does business could also be sources of operational risk to JPMorgan Chase, including relating to breakdowns or failures of such parties' own systems or employees. Any of these occurrences could diminish JPMorgan Chase's ability to operate one or more of its businesses, or result in potential liability to clients, reputational damage and regulatory intervention, any of which could materially adversely affect JPMorgan Chase.

If personal, confidential or proprietary information of customers or clients in JPMorgan Chase's possession were to be mishandled or misused, JPMorgan Chase could suffer significant regulatory consequences, reputational damage and financial loss. Such mishandling or misuse could include circumstances where, for example, such information was erroneously provided to parties who are not permitted to have the information, either by fault of JPMorgan

Chase's systems, employees, or counterparties, or such information was intercepted or otherwise inappropriately taken by third parties.

JPMorgan Chase may be subject to disruptions of its operating systems arising from events that are wholly or partially beyond its control, which may include, for example, computer viruses, electrical or telecommunications outages, or other damage to JPMorgan Chase's property or assets; natural disasters; health emergencies or pandemics; or events arising from local or larger scale political events, including terrorist acts. Such disruptions may give rise to losses in service to customers and loss or liability to JPMorgan Chase.

In a firm as large and complex as JPMorgan Chase, lapses or deficiencies in internal control over financial reporting may occur from time to time, and there is no assurance that significant deficiencies or material weaknesses in internal controls may not occur in the future. In addition, there is the risk that JPMorgan Chase's controls and procedures as well as business continuity and data security systems could prove to be inadequate. Any such failure could adversely affect JPMorgan Chase's operations and results of operations by requiring it to expend significant resources to correct the defect, as well as by exposing JPMorgan Chase to litigation, regulatory fines or penalties or losses not covered by insurance.

6.9 JPMorgan Chase operates within a highly regulated industry and its business and results are significantly affected by the laws and regulations to which it is subject

JPMorgan Chase is subject to regulation under state and federal laws in the United States, as well as the applicable laws of each of the various other jurisdictions outside the United States in which JPMorgan Chase does business. These laws and regulations affect the type and manner in which JPMorgan Chase does business and may limit its ability to expand its product offerings, pursue acquisitions, or restrict the scope of operations and services provided.

Recent market and economic conditions have led to new legislation and numerous proposals for changes in the regulation of the financial services industry, including significant additional legislation and regulation in the United States. For example, new legislation and regulation affecting the credit card industry is expected to adversely affect JPMorgan Chase's Card Services business by reducing revenue and increasing compliance costs.

Recent proposals for further regulation of financial institutions, both in the United States and internationally, include calls to increase their capital and liquidity requirements; limit the size and types of the activities permitted; and increase taxes on some institutions. For example, the "Wall Street Reform and Consumer Protection Act of 2009" recently passed by the U.S. House of Representatives would, among other things, establish a Consumer Financial Protection Agency having broad authority to regulate providers of credit, savings, payment and other consumer financial products and services, as well as create a structure to regulate systemically important financial companies, and provide regulators with the power to require such companies to sell or transfer assets and terminate activities if the regulators determine that the size or scope of activities of the company pose a threat to the safety and soundness of the company or the financial stability of the United States. Also proposed is more comprehensive regulation of the over-the-counter derivatives market, including providing for more strict capital and margin requirements, the central clearing of standardized over-the-counter derivatives, and heightened supervision of all over-the-counter derivatives dealers and major market participants, including JPMorgan Chase.

These new (and other) legislative and regulatory changes could result in significant loss of revenue, limit JPMorgan Chase's ability to pursue business opportunities that it might otherwise consider engaging in, impact the value of assets that JPMorgan Chase holds, require it to change certain of its business practices, impose additional costs on JPMorgan Chase, or otherwise adversely affect its businesses. Accordingly, JPMorgan Chase cannot provide assurance that any such new legislation or regulation would not have an adverse effect on its business, results of operations or financial condition.

If JPMorgan Chase does not comply with current or future legislation and regulations that apply to its operations, it may be subject to fines, penalties or material restrictions on its businesses in the jurisdiction where the violation occurred. In recent years, regulatory

oversight and enforcement have increased substantially, imposing additional costs and increasing the potential risks associated with JPMorgan Chase's operations. As this regulatory trend continues, it could adversely affect JPMorgan Chase's operations and, in turn, its financial results.

6.10 JPMorgan Chase faces significant legal risks, both from regulatory investigations and proceedings and from private actions brought against it

JPMorgan Chase is named as a defendant or is otherwise involved in various legal proceedings, including class actions and other litigation or disputes with third parties, as well as investigations or proceedings brought by regulatory agencies. Actions brought against JPMorgan Chase may result in judgments, settlements, fines, penalties or other results adverse to it, which could materially adversely affect JPMorgan Chase's business, financial condition or results of operation, or cause it serious reputational harm. As a participant in the financial services industry, it is likely that JPMorgan Chase will continue to experience a high level of litigation and regulatory scrutiny and investigations related to its businesses and operations.

6.11 There is increasing competition in the financial services industry which may adversely affect JPMorgan Chase's results of operations

JPMorgan Chase operates in a highly competitive environment and it expects competitive conditions to continue to intensify as continued merger activity in the financial services industry produces larger, better-capitalised and more geographically diverse companies that are capable of offering a wider array of financial products and services at more competitive prices.

JPMorgan Chase also faces an increasing array of competitors. Competitors include other banks, brokerage firms, investment banking companies, merchant banks, hedge funds, private equity firms, insurance companies, mutual fund companies, credit card companies, mortgage banking companies, trust companies, securities processing companies, automobile financing companies, leasing companies, e-commerce and other Internet-based companies, and a variety of other financial services and advisory companies. Technological advances and the growth of e-commerce have made it possible for non-depository institutions to offer products and services that traditionally were banking products, and for financial institutions and other companies to provide electronic and Internet-based financial solutions, including electronic securities trading. JPMorgan Chase's businesses generally compete on the basis of the quality and variety of JPMorgan Chase's products and services, transaction execution, innovation, reputation and price. Ongoing or increased competition in any one or all of these areas may put downward pressure on prices for JPMorgan Chase's products and services or may cause JPMorgan Chase to lose market share. Increased competition also may require JPMorgan Chase to make additional capital investment in its businesses in order to remain competitive. These investments may increase expense or may require JPMorgan Chase to extend more of its capital on behalf of clients in order to execute larger, more competitive transactions. JPMorgan Chase cannot provide assurance that the significant and increasing competition in the financial services industry will not materially adversely affect its future results of operations.

6.12 JPMorgan Chase's acquisitions and the integration of acquired businesses may not result in all of the benefits anticipated

JPMorgan Chase has in the past and may in the future seek to grow its business by acquiring other businesses. There can be no assurance that JPMorgan Chase's acquisitions will have the anticipated positive results, including results relating to: the total cost of integration; the time required to complete the integration; the amount of longer-term cost savings; the overall performance of the combined entity; or an improved price for JPMorgan Chase & Co.'s common stock. Integration of an acquired business can be complex and costly, sometimes including combining relevant accounting and data processing systems and management controls, as well as managing relevant relationships with employees, clients, suppliers and other business partners. Integration efforts could divert management attention and resources, which could adversely affect JPMorgan Chase's operations or results. JPMorgan Chase cannot

provide assurance that any integration efforts for acquisitions already consummated or any new acquisitions would not result in the occurrence of unanticipated costs or losses.

JPMorgan Chase may continue to experience increased credit costs or need to take additional markdowns and allowances for loan losses on the assets and loans acquired in the Bear Stearns Merger and in connection with the Washington Mutual Transaction. JPMorgan Chase cannot provide assurance that as its integration efforts continue in connection with these transactions, other unanticipated costs or losses will not be incurred.

Acquisitions may also result in business disruptions that cause JPMorgan Chase to lose customers or cause customers to remove their accounts from JPMorgan Chase and move their business to competing financial institutions. It is possible that the integration process related to acquisitions could result in the disruption of JPMorgan Chase's ongoing businesses or inconsistencies in standards, controls, procedures and policies that could adversely affect JPMorgan Chase's ability to maintain relationships with clients, customers, depositors and employees. The loss of key employees in connection with an acquisition could adversely affect JPMorgan Chase's ability to successfully conduct its business.

6.13 Damage to JPMorgan Chase's reputation could damage its businesses

Maintaining a positive reputation is critical to JPMorgan Chase's attracting and maintaining customers, investors and employees. Damage to JPMorgan Chase's reputation can therefore cause significant harm to its business and prospects. Harm to JPMorgan Chase's reputation can arise from numerous sources, including, among others, employee misconduct, litigation or regulatory outcomes, failing to deliver minimum standards of service and quality, compliance failures, unethical behaviour, and the activities of customers and counterparties. Further, negative publicity regarding JPMorgan Chase, whether or not true, may result in harm to JPMorgan Chase's prospects.

Actions by the financial services industry generally or by certain members of or individuals in the industry can also affect JPMorgan Chase's reputation. For example, the role played by financial services firms in the financial crisis has damaged the reputation of the industry as a whole.

JPMorgan Chase could suffer significant reputational harm if it fails to properly identify and manage potential conflicts of interest. Management of potential conflicts of interests has become increasingly complex as JPMorgan Chase expands its business activities through more numerous transactions, obligations and interests with and among JPMorgan Chase's clients. The failure to adequately address, or the perceived failure to adequately address, conflicts of interest could affect the willingness of clients to deal with JPMorgan Chase, or give rise to litigation or enforcement actions. Therefore, there can be no assurance that conflicts of interest will not arise in the future that could cause material harm to JPMorgan Chase

6.14 JPMorgan Chase's ability to attract and retain qualified employees is critical to the success of its business and failure to do so may materially adversely affect its performance

JPMorgan Chase's employees are its most important resource and, in many areas of the financial services industry, competition for qualified personnel is intense. The imposition on JPMorgan Chase or on its employees of certain of the currently proposed restrictions or taxes on executive compensation may adversely affect JPMorgan Chase's ability to attract and retain qualified senior management and employees. If JPMorgan Chase is unable to continue to retain and attract qualified employees, its performance, including its competitive position, could be materially adversely affected.

6.15 JPMorgan Chase's financial statements are based in part on assumptions and estimates which, if wrong, could cause unexpected losses in the future

Pursuant to accounting principles generally accepted in the United States, JPMorgan Chase is required to use certain assumptions and estimates in preparing its financial statements, including in determining credit loss reserves, reserves related to litigations and the fair value

of certain assets and liabilities, among other items. If assumptions or estimates underlying its financial statements are incorrect, JPMorgan Chase may experience material losses.

Certain of JPMorgan Chase's financial instruments, including trading assets and liabilities, available-for-sale securities, certain loans, MSRs, private equity investments, structured notes and certain repurchase and resale agreements, among other items, require a determination of their fair value in order to prepare JPMorgan Chase's financial statements. Where quoted market prices are not available, JPMorgan Chase may make fair value determinations based on internally developed models or other means which ultimately rely to some degree on management judgment. Some of these and other assets and liabilities may have no direct observable price levels, making their valuation particularly subjective, being based on significant estimation and judgment. In addition, sudden illiquidity in markets or declines in prices of certain loans and securities may make it more difficult to value certain balance sheet items, which may lead to the possibility that such valuations will be subject to further change or adjustment and could lead to declines in JPMorgan Chase's earnings.

6.16 JPMorgan Chase Bank, N.A. is affected by risks affecting its parent company

JPMorgan Chase Bank, N.A. and its subsidiaries are also subject to each of the risks above, in addition to further risks. Risks that affect JPMorgan Chase & Co. can also affect JPMorgan Chase Bank, N.A. as there is substantial overlap in the businesses of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. Further, JPMorgan Chase Bank, N.A. can be negatively affected by risks and other events affecting JPMorgan Chase & Co. even where JPMorgan Chase Bank, N.A. is not directly affected. For example, where JPMorgan Chase & Co.'s reputation is damaged, JPMorgan Chase Bank, N.A.'s reputation would likely also be damaged which could negatively affect JPMorgan Chase Bank, N.A.

6.17 Status of the Guarantees and Securities issued by JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co.

The Securities issued by JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co., and the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee, (i) are unsecured and unsubordinated general obligations of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co., respectively, and not of any of their respective affiliates, (ii) are not savings accounts or deposits of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. or any bank or non-bank subsidiary of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. and (iii) will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co., respectively, except obligations, including U.S. domestic deposits of JPMorgan Chase Bank, N.A., that are subject to any priorities or preferences by law.

None of the Securities issued by JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co., or the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee, is a deposit insured by the FDIC, the U.S. Deposit Insurance Fund or any other governmental agency or instrumentality.

In particular, U.S. federal legislation adopted in 1993 provides for a preference in right of payment of certain claims made in the liquidation or other resolution of any FDIC-insured depository institution, which includes JPMorgan Chase Bank, N.A. The statute requires claims to be paid in the following order:

- first, administrative expenses of the receiver;
- second, any deposit liability of the institution;
- third, any other general or senior liability of the institution not described below;
- fourth, any obligation subordinated to depositors or general creditors not described below; and

- fifth, any obligation to shareholders or members (including any depository institution holding company or any shareholder or creditor of such company).

For purposes of the statute, deposit liabilities include any deposit payable at an office of the insured depository institution in the United States. They do not include international banking facility deposits or deposits payable at an office of the insured depository institution outside the United States.

6.18 JPMSP, JPMBD and JPMI are partly dependent on other J.P. Morgan affiliates

JPMSP, JPMBD and JPMI are indirect wholly owned subsidiaries of JPMorgan Chase & Co. It is anticipated that JPMSP, JPMBD and JPMI will, for each issuance, enter into hedging arrangements with other J.P. Morgan affiliates, and that such arrangements will be sufficient to hedge their respective market risk for each such issuance. Accordingly, the ability of either JPMSP, JPMBD or JPMI to perform their respective obligations under the Securities may be affected by any inability or failure to perform, pursuant to their respective hedging arrangements, by such other J.P. Morgan affiliate.

CONFLICTS OF INTEREST

J.P. Morgan is subject to various potential conflicts of interest in respect of the Securities, which could have an adverse effect on the Securities

J.P. Morgan affiliates may take positions in or deal with Reference Asset(s)

The relevant Issuer, the relevant Guarantor (if any) and/or other J.P. Morgan affiliates:

- in the ordinary course of business, effect transactions for their own account or for the account of their customers and hold long or short positions in the Reference Asset(s) or related derivatives;
- in connection with an offering of Securities, enter into one or more hedging transactions with respect to the Reference Asset(s) or related derivatives; and/or
- in connection with such hedging or market-making activities or with respect to proprietary or other trading activities, enter into transactions in the Reference Asset(s) or related derivatives which may adversely (or positively) affect the price, liquidity or value of the relevant Securities and which could therefore be adverse to the interests of the relevant Holders.

The Calculation Agent, which will generally be a J.P. Morgan affiliate, has broad discretionary powers which may not take into account the interests of the Holders

As the Calculation Agent will generally be a J.P. Morgan affiliate, potential conflicts of interest may exist between the Calculation Agent and the Holders, including with respect to the exercise of the very broad discretionary powers of the Calculation Agent. For example, the Calculation Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to a Series of Securities have occurred and (ii) to determine any resulting adjustments and calculations or substitutions as described in such conditions. Investors should be aware that any determination made by the Calculation Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any calculation made by, the Calculation Agent (in the absence of manifest or proven error) shall be binding on the relevant Issuer and all Holders.

A J.P. Morgan affiliate may be the sponsor of an index or strategy which is referenced by a Security

A J.P. Morgan proprietary index or strategy will generally be developed, owned, calculated and maintained by a J.P. Morgan affiliate, which would be responsible for the composition, calculation and maintenance of such index or strategy. In such circumstances, the index or strategy sponsor would be under no obligation to take into account the interests of the Holders of any Securities referenced by such index or strategy. In such capacity as index sponsor, J.P. Morgan will have the authority to make determinations that could materially and adversely affect the value of the Security.

J.P. Morgan may have confidential information relating to the Reference Assets and the Securities

Certain J.P. Morgan affiliates may from time to time, by virtue of their status as underwriter, advisor or otherwise, possess or have access to information relating to the Securities, the Reference Assets and any derivative Securities referencing them. Such affiliates will not be obliged to disclose any such information to a purchaser of the Securities.

DOCUMENTS INCORPORATED BY REFERENCE

This document should be read and construed in conjunction with each supplement to this Base Prospectus and the documents incorporated by reference into this Base Prospectus and each supplement to this Base Prospectus. The information contained in the following documents which, in respect of (i) to (iv) below, have been filed by JPMorgan Chase & Co. with the U.S. Securities and Exchange Commission ("SEC"), is hereby incorporated by reference into this Base Prospectus and deemed to form a part of this Base Prospectus:

- (i) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2009 (the "**JPMorgan Chase & Co. 2009 Form 10-K**");
- (ii) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2008 (the "**JPMorgan Chase & Co. 2008 Form 10-K**");
- (iii) the Proxy Statement on Schedule 14A of JPMorgan Chase & Co. dated 31 March 2010 (the "**JPMorgan Chase & Co. 2010 Proxy Statement**");
- (iv) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2010 (the "**JPMorgan Chase & Co. March 2010 Form 10-Q**");
- (v) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2009 (the "**JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements**");
- (vi) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2008 (the "**JPMorgan Chase Bank, N.A. 2008 Audited Financial Statements**");
- (vii) the JPMSP audited financial statements for the year ended 31 December 2009 (the "**JPMSP 2009 Audited Financial Statements**");
- (viii) the JPMSP audited financial statements for the year ended 31 December 2008 (the "**JPMSP 2008 Audited Financial Statements**");
- (ix) the Responsibility Statement and Audit Committee addendum to the JPMSP 2008 Audited Financial Statements, dated 23 April 2009 (the "**Addendum to the JPMSP 2008 Audited Financial Statements**");
- (x) the JPMBD annual audited financial statements for the year ended 31 December 2009 (the "**JPMBD 2009 Audited Financial Statements**");
- (xi) the Bear Stearns Bank plc annual audited financial statements for the thirteen months ended 31 December 2008 (the "**JPMBD 2008 Audited Financial Statements**");
- (xii) the audited cash flow statement of JPMBD for the thirteen month period ended 31 December 2008 (the "**JPMBD 2008 Audited Cash Flow Statement**");
- (xiii) the base prospectus dated 14 May 2009 relating to issues of non-equity securities under the Programme by J.P. Morgan Structured Products B.V., JPMorgan Chase Bank, N.A. and J.P. Morgan Chase & Co. (the "**2009 Base Prospectus**"); and
- (xiv) Supplement No. 6 dated 28 October 2009 to the 2009 Base Prospectus (the "**2009 Base Prospectus Supplement**").

The table below sets out the relevant page references for the information incorporated into this Base Prospectus by reference. Any information not listed below but included in the documents incorporated by reference is given for information purposes only.

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Investors who have not previously reviewed the information contained in the above documents should do so in connection with their evaluation of any Securities. Any statement contained in a document, all or the relevant portion of which is incorporated by reference into this Base Prospectus, shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in this Base Prospectus or in any supplement to this Base Prospectus filed under Article 16 of the Prospectus Directive, including any documents incorporated therein by reference, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). The documents incorporated by reference will be available on the Luxembourg Stock Exchange's website (www.bourse.lu).

JPMorgan Chase & Co.'s filings with the SEC are available to the public on the website maintained by the SEC at <http://www.sec.gov>. Such filings can also be inspected and printed or copied, for a fee, at the SEC's Office of Public Reference, 100 F Street N.E., Washington, D.C. 20549, U.S.A., or by contacting that office by phone: +001 202 942 8090, fax: +001 202 628 9001 or e-mail: publicinfo@sec.gov. Investors may call the SEC at +001 800 732 0330 for further information on the public reference rooms. JPMorgan Chase & Co.'s SEC filings can also be viewed on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>. Unless

specifically incorporated by reference into this Base Prospectus, JPMorgan Chase & Co.'s filings with the SEC shall not be deemed to be part of this Base Prospectus.

JPMorgan Chase Bank, N.A. also files Consolidated Reports of Condition and Income ("**Call Reports**") with its primary federal regulator, the U.S. Office of the Comptroller of the Currency ("**OCC**"). These Call Reports are publicly available upon written request to the FDIC at 3501 North Fairfax Drive, Room E-1002, Arlington, Virginia 22226, Attention: Public Information Center. The FDIC has a website where the Call Reports can be viewed, at <http://www.fdic.gov>. The Call Reports are prepared in accordance with regulatory instructions issued by the U.S. Federal Financial Institutions Examinations Council and not U.S. generally accepted accounting principles. The Call Reports are supervisory and regulatory documents; they are not primarily accounting documents, do not conform with U.S. generally accepted accounting principles and do not provide a complete range of financial disclosure about JPMorgan Chase Bank, N.A. Nevertheless, the Call Reports do provide important information concerning the financial condition of JPMorgan Chase Bank, N.A. The Call Reports are not incorporated by reference in, and shall not be deemed to be part of, this Base Prospectus.

GENERAL DESCRIPTION OF THE PROGRAMME

Issuers and Guarantors

J.P. Morgan Structured Products B.V. ("**JPMSP**"), J.P. Morgan Bank Dublin plc ("**JPMBD**"), J.P. Morgan Indies SRL ("**JPMI**"), JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. (each an "**Issuer**" and together, the "**Issuers**") may from time to time under the Programme, subject to compliance with all relevant laws, regulations and directives, issue (i) Notes and (ii) Warrants or Certificates (together, the "**Securities**"). Securities issued by JPMSP will be guaranteed by JPMorgan Chase Bank, N.A., and Securities issued by JPMBD and by JPMI will be guaranteed by JPMorgan Chase & Co. (each a "**Guarantor**" and together, the "**Guarantors**"). Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. are not the subject of a guarantee.

Types of Securities

The Securities may be securities where the interest payment, the redemption amount or amount to be paid or delivered on settlement is linked to:

- a share or a depositary receipt representing a share or a basket of shares or depositary receipts ("**Share Linked Securities**");
- an equity index or a basket of equity indices ("**Index Linked Securities**");
- a commodity, a basket of commodities, a commodity index or a basket of commodity indices ("**Commodity Linked Securities**");
- a foreign exchange rate or a basket of foreign exchange rates ("**FX Linked Securities**");
- the credit of a reference entity such as a company or a sovereign, or a basket of reference entities ("**Credit Linked Securities**"); or
- any other underlying asset or reference rate ("**Other Variable Linked Securities**") or any combination of any of the above.

In addition, the Securities may be "market access" participation Notes ("**Market Access Participation Notes**"), linked to an underlying share or a basket of shares, or "low exercise price Warrants" ("**Low Exercise Price Warrants**"), linked to an underlying share or basket of shares.

Issuance of Securities other than German Securities

The general conditions of the Securities are set out on pages 85 to 179 (the "**General Conditions**"). In relation to:

- any Share Linked Securities, the General Conditions will be completed and/or amended, if so specified in the relevant Final Terms, by the additional conditions set out in the Share Linked Provisions (the "**Share Linked Provisions**");
- any Index Linked Securities, the General Conditions will be completed and/or amended, if so specified in the relevant Final Terms, by the additional conditions set out in the Index Linked Provisions (the "**Index Linked Provisions**");
- any Commodity Linked Securities, the General Conditions will be completed and/or amended, if so specified in the relevant Final Terms, by the additional conditions set out in the Commodity Linked Provisions (the "**Commodity Linked Provisions**");
- any FX Linked Securities, the General Conditions will be completed and/or amended, if so specified in the relevant Final Terms, by the additional conditions set out in the FX Linked Provisions (the "**FX Linked Provisions**");
- any Market Access Participation Notes, the General Conditions will be completed and/or amended by the additional conditions set out in the Market Access Participation Notes Provisions (the "**Market Access Participation Provisions**"); and

- any Low Exercise Price Warrants, the General Conditions will be completed and/or amended by the additional conditions set out in the Low Exercise Price Warrant Provisions (the "**LEPW Provisions**") and, together with the Share Linked Provisions, the Index Linked Provisions, the Commodity Linked Provisions, the FX Linked Provisions and the Market Access Participation Provisions, the "**Specific Product Provisions**").

Securities issued under the Programme are issued in series (each, a "**Series**"), and each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of Securities. One or more Tranches of Securities will be the subject of a final terms (each, a "**Final Terms**"), a copy of which may be obtained free of charge from the Specified Office of the Relevant Programme Agent.

Issuance of German Securities

With respect to German Securities, the terms and conditions will be the Consolidated Conditions. The Consolidated Conditions for each Series of German Securities shall consist of (a) the General Conditions as set out in the Base Prospectus, and any applicable Specific Product Provisions, in each case as amended by the deletion of non-applicable provisions and (b) the Special Conditions. Matters which are expressed in this Base Prospectus to be specified in the relevant Final Terms or which deviate from the General Conditions will be specified in such Special Conditions of the relevant Series. The Consolidated Conditions will be attached to the Global Security representing the German Securities and in the case of German Securities in definitive form, which will only be issued in limited circumstances, the Consolidated Conditions will be endorsed on such German Securities in definitive form.

Form of Securities

Unless otherwise specified in the relevant Final Terms, each Series of Securities in bearer form will be represented on issue by a temporary global security in bearer form (each a "**Temporary Bearer Global Security**") exchangeable upon certification of non-U.S. beneficial ownership for a permanent global security in bearer form (each a "**Permanent Bearer Global Security**" and, together with each Temporary Bearer Global Security, a "**Bearer Global Security**") or, if so provided in the relevant Final Terms, Securities in definitive form.

Unless otherwise specified in the relevant Final Terms, each Series of Securities (other than Swiss Securities) in registered form will be represented on issue by a temporary global security in registered form (each a "**Temporary Registered Global Security**") exchangeable upon certification of non-U.S. beneficial ownership for a permanent global security in registered form (each a "**Permanent Registered Global Security**" and, together with each Temporary Registered Global Security, a "**Registered Global Security**" and, together with each Bearer Global Security, "**Global Securities**") exchangeable, in registered form if so provided in the relevant Final Terms, for Registered Securities in definitive form.

JPMI shall not issue any Securities in bearer form.

Global Securities may be deposited on the issue date with a depository on behalf of:

- Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**");
- Clearstream Banking AG, Frankfurt ("**Clearstream Frankfurt**");
- The Depository Trust Company ("**DTC**");
- the Swiss Domestic Settlement System, SIX SIS AG (the "**SIS**"); and/or
- with a depository for such other clearing system as specified in the General Conditions and/or the relevant Final Terms.

The depository on behalf of Euroclear and Clearstream, Luxembourg shall be a common depository.

New Global Note

Notes represented by Bearer Global Securities which are intended to be issued in New Global Note ("NGN") form, shall be delivered on or prior to the issue date to a common safekeeper (the "**Common Safekeeper**") for Euroclear and Clearstream, Luxembourg.

German Securities

German Securities will be represented on issue by a Temporary Bearer Global Security exchangeable upon certification of non-U.S. beneficial ownership for a Permanent Bearer Global Security. German Securities will be governed by German law.

Danish Notes

Notes issued under the Programme may include Securities which are registered in uncertificated and dematerialised book-entry form with VP Securities A/S ("**VP**") in accordance with all applicable Danish laws, regulations and rules ("**Danish Notes**"). Danish Notes will not be issued in definitive form.

Finnish Securities

Securities issued under the Programme may include Securities which are registered in uncertificated and dematerialised book-entry form with Euroclear Finland, Oy, the Finnish Central Securities Depository ("**Euroclear Finland**") in accordance with all applicable Finnish laws, regulations and rules ("**Finnish Securities**"). Finnish Securities will not be issued in definitive form except at the request of Holders as described in General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*).

French Securities

Securities issued under the Programme by JPMSP or JPMBD may be in dematerialised form and deposited with Euroclear France S.A. ("**Euroclear France**") as central depository ("**French Securities**"). French Securities may be in bearer form (*au porteur*) or in registered form (*au nominatif*) and will be governed by French law. French Securities will not be issued in definitive form.

Norwegian Securities

Securities issued under the Programme may include Securities which are registered in uncertificated and dematerialised electronic book-entry form with the Norwegian Central Securities Depository (the "**VPS**") in accordance with all applicable Norwegian laws, regulations and rules ("**Norwegian Securities**"). Norwegian Securities will not be issued in definitive form.

Swedish Securities

Securities issued under the Programme may include Securities which are registered in uncertificated and dematerialised electronic book-entry form with Euroclear Sweden AB, the Swedish Central Securities Depository ("**Euroclear Sweden**") in accordance with all applicable Swedish laws, regulations and rules ("**Swedish Securities**"). Swedish Securities will not be issued in definitive form except at the request of Holders as described in General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*).

Swiss Securities

Securities cleared through SIS are referred to as "**Swiss Securities**". Each Tranche of Swiss Securities will initially be represented by a Registered Global Security deposited with SIS on or prior to the original issue date of such Tranche. As a matter of Swiss law, once a Registered Global Security representing Swiss Securities is deposited with SIS and entered into the accounts of one or more participants of SIS, such Swiss Securities will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) ("**Intermediated Securities**"). No Holder of Swiss Securities will at any time have the right to effect or demand the conversion of the Registered Global Security representing such Swiss Securities into, or the delivery of, uncertificated Securities or Securities in definitive form. However, a Registered Global Security

representing Swiss Securities will be exchangeable for definitive Securities in registered form under the limited circumstances described in the General Conditions.

Programme Agents

- The Bank of New York Mellon, London Branch, (or as otherwise specified in the relevant Final Terms) will act as Principal Programme Agent, Paying Agent, Transfer Agent, and The Bank of New York Mellon (Luxembourg) S.A. will act as Paying Agent, Transfer Agent and Registrar with respect to the Securities.
- Skandinaviska Enskilda Banken AB (publ) will act as Danish Programme Agent and Norwegian Programme Agent in respect of any Danish Notes and Norwegian Securities, respectively.
- Svenska Handelsbanken AB (publ), Branch Operation in Finland will act as Finnish Programme Agent in respect of any Finnish Securities.
- Swedbank AB (publ) will act as Swedish Programme Agent in respect of any Swedish Securities.
- BNP Paribas Securities Services will act as French Programme Agent in respect of any French Securities.
- BNP Paribas Securities Services, Frankfurt Branch will act as German Programme Agent and German Registrar in respect of any German Securities which are cleared through Clearstream Frankfurt.
- Credit Suisse AG will act as Swiss Programme Agent and Swiss Registrar in respect of any Swiss Securities.

Each of these agents will together be referred to as "**Programme Agents**".

Listing and Admission to Trading

Luxembourg CSSF

This Base Prospectus has been approved by the Commission de Surveillance du Secteur Financier (the "CSSF"), which is the competent authority for the purpose of the Prospectus Directive and relevant implementing measures in Luxembourg, for the purpose of giving information with regard to the issue of Securities by JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. under the Programme during the period of 12 months from the date of this Base Prospectus.

Dutch AFM

Pursuant to Article 13(5) of the Prospectus Directive (and the relevant implementing measures in The Netherlands and Luxembourg), the *Stichting Autoriteit Financiële Markten* (the "AFM"), which is the competent authority for the purpose of the Prospectus Directive and relevant implementing measures in The Netherlands, has transferred to the CSSF (which has accepted such transfer) its authority for the approval of this Base Prospectus in relation to the issue of Securities by JPMSP under the Programme during the period of 12 months from the date of this Base Prospectus.

UK FSA

Pursuant to Article 13(5) of the Prospectus Directive (and the relevant implementing measures in the United Kingdom and Luxembourg), the United Kingdom Financial Services Authority (the "FSA"), which is the competent authority for the purpose of the Prospectus Directive and relevant implementing measures in the United Kingdom, has transferred to the CSSF (which has accepted such transfer) its authority for the approval of this Base Prospectus in relation to the issue of Securities by JPMorgan Chase & Co. under the Programme during the period of 12 months from the date of this Base Prospectus.

This Base Prospectus will not be used in connection with the issue by JPMorgan Chase & Co. of any non-equity securities which are the subject of either (or both) (i) an offer of securities to the public solely in the United Kingdom which is not an exempt offer pursuant to Article 3(2) of the Prospectus Directive (and the relevant implementing measures in the United Kingdom) and/or (ii) an application to admit such non-equity securities to listing solely on the Official List of the FSA and to trading solely on the London Stock Exchange's Regulated Market for listed securities (or any other Regulated Market situated in the UK). Any such offer to the public in the UK and/or application for listing to a Regulated Market in the UK is subject to the prior publication of a prospectus under Article 3(1) of the Prospectus Directive (and the relevant implementing measures in the United Kingdom) which has been approved by the FSA.

Listing and admission to trading

Applications have also been made for Securities issued by JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. within the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange, the London Stock Exchange and the Irish Stock Exchange.

Notes issued by JPMorgan Chase Bank, N.A. and JPMI will not be admitted to trading on a Regulated Market unless they have a minimum denomination of at least EUR 50,000 (or its equivalent in other currencies). No Warrants or Certificates issued by JPMorgan Chase Bank, N.A. or JPMI will be admitted to trading on a Regulated Market.

Further to the review and approval of the Base Prospectus by the CSSF, application may also be made for the Securities to be admitted to listing and/or trading on regulated markets (as from time to time determined for the purposes of the Markets in Financial Instruments Directive (2004/39/EC) ("**MiFID**")) (each, a "**Regulated Market**") in any member state of the European Economic Area or on any other listing authority, stock exchange or quotation system further to Article 13(5) of the Prospectus Directive. The relevant Final Terms in respect of the issue of any Securities will specify whether or not an application for admission to the Official List and trading on the Regulated Market of the above listed Exchanges or by or on any other listing authority, stock exchange or quotation system will be made. Securities issued under the Programme may also be unlisted.

SIX Swiss Exchange

In respect of Securities to be listed on the SIX Swiss Exchange AG (the "**SIX Swiss Exchange**"), the relevant Term Sheet (as defined below) and/or Final Terms in respect of such Securities will specify whether an application for such listing and the corresponding application for trading of such Securities on Scoach Switzerland or any successor thereto ("**Scoach Switzerland**") or any such other exchange as the relevant Final Terms may specify has been or will be made. In the case of a listing of a Series or Tranche on the SIX Swiss Exchange, this Base Prospectus will constitute an "issuance programme" pursuant to Article 22 of the SIX Swiss Exchange's Additional Rules for the Listing of Derivatives and may be supplemented from time to time by filing an appropriate supplement (each, a "**Supplement**") with the SIX Swiss Exchange modifying, updating or amending the information contained herein.

In respect of Securities to be listed on the SIX Swiss Exchange, this Base Prospectus, together with any Supplement and the relevant Final Terms, will constitute the listing prospectus pursuant to the Listing Rules of the SIX Swiss Exchange. The relevant Final Terms will set forth certain information with respect to the Securities of the relevant Series or Tranche, including, without limitation, the relevant Issuer of such Securities, the aggregate number and type of such Securities, the date of issue, the issue price, the redemption amount, the redemption date, the notional amount, the capital protection, the coupon, the strike price, the knock-in price (each, as applicable) and any additional information required by applicable law or exchange regulations, provided that the relevant Issuer reserves the right to set forth any and all information which may be required to be disclosed in a simplified prospectus pursuant to Art. 5 of the Swiss Federal Act on Collective Investment Schemes ("**CISA**") and any implementing ordinance or other act of regulation or self-regulation in a separate document. In case such information is not contained in the relevant Final Terms but in a separate document, such separate document is hereinafter referred to as a "Simplified Prospectus".

If an Issuer of Securities issues a Series or Tranche of such Securities which will not be listed on the SIX Swiss Exchange or which will be listed on the SIX Swiss Exchange only after the commencement

of trading, such Issuer may prepare a term sheet (the "**Term Sheet**") setting forth, on a preliminary basis, certain information with respect to such Securities including, without limitation, the aggregate number and type of Securities, the date of issue, the issue price, the redemption amount, the redemption date, the notional amount, the capital protection, the coupon, the strike price, the knock-in price (each as applicable) and any additional information required by applicable law or exchange regulations, provided that the relevant Issuer reserves the right to set forth any and all information which may be required to be disclosed in a simplified prospectus pursuant to Art. 5 CISA and any implementing ordinance or other act of regulation or self-regulation in the Final Terms or a Simplified Prospectus. Any Term Sheet prepared shall be subject to the Final Terms and any Simplified Prospectus for the relevant Series or Tranche.

Passporting

In accordance with Article 18 of the Prospectus Directive, the CSSF has been requested to provide the following competent authorities with a certificate of approval attesting that the Base Prospectus of each of JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. has been drawn up in accordance with the Prospectus Directive:

- Finanzmarktaufsicht (FMA) (**Austria**);
- Commission Bancaire, Financière et des Assurances (CBFA) (**Belgium**);
- Czech National Bank (**Czech Republic**);
- Finanstilsynet (**Denmark**);
- Finanssivalvonta (**Finland**);
- Autorité des Marchés Financiers (AMF) (**France**);
- Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) (**Germany**);
- Hungarian Supervisory Financial Authority (**Hungary**);
- Financial Regulator (**Ireland**);
- Commissione Nazionale per le Società e la Borsa (CONSOB) (**Italy**);
- Autoriteit Financiële Markten (AFM) (**The Netherlands**);
- The Financial Supervisory Authority of Norway (**Norway**);
- National Bank of Slovakia (**Slovakia**);
- Comisión Nacional del Mercado de Valores (CNMV) (**Spain**);
- Finansinspektionen (FI) (**Sweden**); and
- Financial Services Authority (FSA) (**United Kingdom**).

COMMONLY ASKED QUESTIONS

This section is intended to answer some of the questions which investors may have when considering an investment in the Securities. However, any decision to invest in the Securities should only be made after careful consideration of all relevant sections of this Base Prospectus and the relevant Final Terms. This section should be treated as an introduction to the Issuers, the types of Securities which may be issued under the Programme and certain terms of such Securities.

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2. Who are the Issuers and the Guarantors under this Programme?
3. What type of Securities can be issued under this Programme?
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32. What are the FX Linked Provisions?
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1. **What documents do you need to read in respect of an issuance of Securities?**

There are several legal documents which you must read in respect of any Securities: (i) each applicable section of this Base Prospectus (including the documents incorporated into the Base Prospectus by reference) and (ii) the Final Terms in respect of such Securities. Request copies of any documents from your selling agent or from the Luxembourg listing agent whose address is set out below. For Swiss Securities, all documents will also be available from the Swiss Programme Agent, whose address is set out below.

(a) ***What information is included in this Base Prospectus?***

This Base Prospectus contains the general terms and conditions of all Securities in the section entitled "General Conditions" and the Specific Product Provisions, which relate to the most common Reference Assets, being the Share Linked Provisions, the Index Linked Provisions, the Commodity Linked Provisions, the FX Linked Provisions, the Market Access Participation Provisions and the LEPW Provisions. For further information about these Specific Product Provisions, see questions 26 (*What are the Share Linked Provisions?*), 28 (*What are the Index Linked Provisions?*), 30 (*What are the Commodity Linked Provisions?*) and 32 (*What are the FX Linked Provisions?*) below.

For all Securities, other than German Securities, the General Conditions, which may be completed and/or amended by the Specific Product Provisions must be read together with the Final Terms which will specify which General Conditions and which Specific Product Provisions (if any) apply to your Securities – see paragraph (b) (*What information is included in the Final Terms?*) below.

For all German Securities, the applicable conditions will be set out in the relevant Final Terms as described in paragraph (b) (*What information is included in the Final Terms?*).

This Base Prospectus contains a summary of all of the information in the Base Prospectus, but like these commonly asked questions, the summary should only be read as an introduction to the rest of the information in this Base Prospectus.

This Base Prospectus discloses financial and other information about each Issuer and, if applicable, the Guarantor, of such Securities and incorporates by reference further financial information about such entities. Such documents incorporated by reference into this Base Prospectus are available to investors by request from The Bank of New York Mellon (Luxembourg) S.A., the Luxembourg listing agent, at its office at Aerogolf Center, 1A Hoehenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg and, in relation to Swiss Securities, from Credit Suisse AG, the Swiss Programme Agent, at its office at Paradeplatz 8, 8001, Zurich, Switzerland. The Luxembourg Stock Exchange will publish such documents on its website (www.bourse.lu).

This Base Prospectus also discloses restrictions about who can buy such Securities and risk factors relating to the Issuers and Guarantors and the Securities issued under this Programme. It also contains certain tax advice and certain ERISA considerations, although you should always seek specialist advice which has been tailored to your circumstances.

(b) ***What information is included in the Final Terms?***

While this Base Prospectus includes general information about all Securities, the Final Terms is the document that sets out the specific details of each particular issuance of Securities. The Final Terms will contain, for example, the issue date, the maturity date and the methods used to calculate the redemption amount and any interest payments, if applicable. The Final Terms may also include additional or more tailored risk factors with respect to the particular issuance of Securities.

The Final Terms for each Series of Securities, other than German Securities, will specify which, if any, of the Specific Product Provisions apply to an issuance of such Securities, and will complete and/or amend the General Conditions and any such Specific Product Provisions. Therefore, the Final Terms for such Securities must be read in conjunction with this Base Prospectus.

The Final Terms for each Series of German Securities will include the relevant General Conditions and the relevant Specific Product Provisions, in each case as completed or amended where appropriate. Matters which are expressed in the General Conditions or Specific Product Provisions as set out in this Base Prospectus to be specified in the relevant Final Terms, or which deviate from such General Conditions or Specific Product Provisions, will be specified in the Special Conditions of the relevant Securities. The Special Conditions of the relevant Series of German Securities, and the General Conditions and Specific Product Provisions applicable to such German Securities will together comprise the "Consolidated Conditions" for such Series of German Securities.

2. Who are the Issuers and the Guarantors under this Programme?

The Final Terms will specify whether the Issuer of your Securities is J.P. Morgan Structured Products B.V., J.P. Morgan Bank Dublin plc, J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. Securities issued by J.P. Morgan Structured Products B.V. will be guaranteed by JPMorgan Chase Bank, N.A. Securities issued by J.P. Morgan Bank Dublin plc and by J.P. Morgan Indies SRL will be guaranteed by JPMorgan Chase & Co. Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. will not be guaranteed.

(a) *Who is J.P. Morgan Structured Products B.V.?*

J.P. Morgan Structured Products B.V. or JPMSP is an indirect, wholly-owned subsidiary of JPMorgan Chase Bank, N.A., which is in turn one of the principal bank subsidiaries of JPMorgan Chase & Co. JPMSP's business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, reverse convertible and market participation notes and the subsequent hedging of those risk positions.

(b) *Who is J.P. Morgan Bank Dublin plc?*

J.P. Morgan Bank Dublin plc or JPMBD was incorporated in Dublin, Ireland in 1995. It changed its name from Bear Stearns Bank plc on 27 March 2009. JPMBD is based in Dublin, Ireland, is regulated by the Financial Regulator and is an indirect, wholly-owned subsidiary of JPMorgan Chase & Co. JPMBD's activities are focused on traditional banking activities, issuance of securities and treasury related activity on behalf of the J.P. Morgan group. The Financial Regulator, which is the principal regulator of banks in Ireland, granted a banking licence to JPMBD on 10 April 1997.

(c) *Who is J.P. Morgan Indies SRL?*

J.P. Morgan Indies SRL or JPMI was organised as a society with restricted liability under the laws of Barbados on 16 March 2010 and it is an indirect, wholly-owned subsidiary of JPMorgan Chase & Co. JPMI's business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, credit-linked, reverse convertible and market participation notes and the subsequent hedging of those risk positions.

(d) *Who is JPMorgan Chase Bank, N.A.?*

JPMorgan Chase Bank, N.A. was initially organised as a New York banking corporation on 26 November 1968, and converted into a national banking association on 13 November 2004. JPMorgan Chase Bank, N.A. is one of the principal bank subsidiaries of JPMorgan Chase & Co. JPMorgan Chase Bank, N.A. offers a wide range of banking services to its customers both in the United States and internationally.

JPMorgan Chase Bank, N.A. is chartered and its business is subject to examination and regulation by the U.S. Office of the Comptroller of the Currency (the "**OCC**"), a bureau of the U.S. Department of the Treasury. JPMorgan Chase Bank, N.A. is a member of the U.S. Federal Reserve System and its U.S. deposits are insured by the U.S. Federal Deposit Insurance Corporation ("**FDIC**").

(e) **Who is JPMorgan Chase & Co.?**

JPMorgan Chase & Co. is a financial holding company and was incorporated under Delaware law on 28 October 1968 with file number 0691011. JPMorgan Chase & Co. is a leading global financial services firm and one of the largest banking institutions in the United States, and has operations in more than 60 countries.

3. **What type of Securities can be issued under this Programme?**

Under this Programme, each of the Issuers may issue warrants, certificates and notes, which together are known as "Securities". Securities may have any maturity. Securities may be listed and traded on a regulated market, or not listed or traded. Notes may or may not be rated. Notes may be non-interest bearing or bear fixed or floating rate interest or bear interest that may be linked to the performance of one or more Reference Assets. Certificates and Warrants will be non-interest bearing but may pay fixed or floating rate coupons or other amounts that may in each case be linked to the performance of one or more Reference Assets. Upon maturity of the Security you may receive a cash amount or delivery of the Reference Asset.

Securities may be cleared through the international clearing systems, or may be cleared through a domestic clearing system. Danish Notes, Finnish Securities, French Securities, Norwegian Securities, Swedish Securities and Swiss Securities are Securities cleared through the domestic clearing system in Denmark, Finland, Norway, Sweden and Switzerland, respectively. German Securities may be cleared through the German domestic clearing system or the international clearing systems, will be governed by German law and are intended to be placed with investors in Germany. French Securities are Securities cleared through Euroclear France and will be governed by French law. Securities which may be offered to certain qualified institutional investors in the United States are described as Rule 144A Securities. Rule 144A Securities which are Warrants or Certificates will be governed by New York law. All other Securities will be governed by English law.

4. **What are the Reference Assets to which Securities may be linked?**

The interest and/or repayment/delivery terms of the Securities issued under this Programme may be linked to a number of different Reference Assets ("**Reference Assets**"), which may include:

- (a) a share or a depositary receipt;
- (b) a share index;
- (c) a commodity;
- (d) a commodity index;
- (e) a foreign exchange rate;
- (f) a fund (regulated or unregulated, mutual, exchange traded tracker or hedge);
- (g) a consumer price or other inflation index;
- (h) an interest rate or constant maturity swap rate or any other rate;
- (i) a loan or bond or other debt obligation or certificate;
- (j) any other financial, economic or other measures or instruments including the occurrence or non-occurrence of any event or circumstance and credit events relating to one or more issuers or securities;
- (k) a basket of the above; or
- (l) any combination of any of the above.

5. **Is the market value and interest and amount payable or deliverable in respect of your Securities subject to the credit risk of the relevant Issuer and the relevant Guarantor (if any)?**

Yes. You will have no recourse to the Reference Asset(s) (see question 6 (*If your Securities are linked to a Reference Asset, will you have recourse to that asset if the Issuer and the Guarantor (if any) defaults?*)), so you will be exposed to the credit risk of the Issuer and the Guarantor (if any). The market value of the Securities will not only be affected by the value of the Reference Asset(s), but will also depend in part on the credit rating of the relevant Issuer or Guarantor (if any).

JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. are each rated by Moody's Investors Service, Inc., Standard and Poor's, a division of the McGraw Companies, Inc. and Fitch Ratings Ltd. The creditworthiness of JPMorgan Chase Bank, N.A. is more likely to affect the market value of Securities issued by JPMorgan Chase Bank, N.A. and Securities issued by JPMSP which are guaranteed by JPMorgan Chase Bank, N.A. The creditworthiness of JPMorgan Chase & Co. is more likely to affect the market value of Securities issued by JPMorgan Chase & Co. and Securities issued by JPMBD and by JPMI which are guaranteed by JPMorgan Chase & Co. Further information regarding JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co.'s credit rating can be obtained from their website (www.jpmorganchase.com).

6. **If your Securities are linked to a Reference Asset, will you have recourse to that asset if the Issuer and the Guarantor (if any) defaults?**

No. The Securities are linked to the performance of the Reference Asset, but there is no obligation on the Issuer or the Guarantor (if any) to hold the Reference Asset. Even if the Issuer or the Guarantor (if any) does hold the Reference Asset, it will not be segregated from the other assets of the Issuer or the Guarantor (if any) for the benefit of the Holders of Securities.

7. **How much of your investment is at risk?**

For some Securities, as indicated in the relevant Final Terms, you will be entitled to receive 100 per cent. or more of the face amount of the Securities on the maturity date. If you sell such Securities prior to the maturity date or in certain circumstances if the Securities are repaid early, you may not receive the entire face amount of such Security, and may receive less than the amount that you invested. Note that you will always be exposed to the credit risk of the Issuer and the Guarantor (if any).

For other Securities, your investment may be at risk as you may receive an amount less than your original investment on the maturity date and may even lose your entire investment. In such circumstances, the value of the Securities can fluctuate and there is no guarantee that the value of the Securities will increase or that they will retain their value. The higher the potential return of your Securities, the greater the risk of loss attached to those Securities will be.

See the section entitled "Risk Factors" on pages 23 to 56 of this Base Prospectus for more detailed information about the risks relating to the loss of any invested amounts. Further risks may be disclosed in the relevant Final Terms.

8. **Who is the "Holder" of the Securities?**

In respect of Securities (other than German Securities, French Securities and Swiss Securities represented by a Global Security deposited with SIS, which, therefore, constitute Intermediated Securities (as defined below)), the legal "Holder" of the Securities who is entitled to take action with respect to the Securities will for most purposes be the entity which appears in the records of the clearing system through which the Securities are held. Such entity (known as a custodian) may be your selling agent, or another entity on its behalf.

If you need to take any action with respect to your Securities (unless your Securities are German Securities, French Securities or Swiss Securities represented by a Global Security deposited with SIS, which, therefore, constitute Intermediated Securities), you must instruct

the custodian who holds the Securities on your behalf to take such action (or procure that such action is taken) on your behalf.

In respect of German Securities, the end investor is the legal holder of such Securities. As such you are therefore entitled to take any action with respect to any German Securities you hold yourself.

In respect of French Securities, the "Holder" is the person whose name appears in the account of the relevant Euroclear France Account or the Issuer or the French Registration Agent (as the case may be) as being entitled to such French Securities. Such person is entitled to take any action with respect to the relevant French Securities except, in respect of Holders of French Notes, if such right is deferred to the "Masse" for the defence of the common interest of the Holders.

As a matter of Swiss law, Swiss Securities represented by a Global Security deposited with SIS constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) ("**Intermediated Securities**"), and, consequently, the holder of such Swiss Securities will be deemed to be each person holding any such Swiss Security in a securities account (*Effektenkonto*) that is in such person's name or, in the case of intermediaries (*Verwahrungsstellen*), each intermediary (*Verwahrungsstelle*) holding any such Swiss Security for its own account in a securities account (*Effektenkonto*) that is in such intermediary's name (and the expressions "Holder", "Receiptholder" and "Couponholder" as used herein shall be construed accordingly).

9. **What rights do Holders have against an Issuer?**

Securities issued under this Programme will constitute direct, unsubordinated and unsecured obligations of the relevant Issuer and will rank equally among themselves and with all other direct unsubordinated and unsecured obligations of such Issuer.

A Holder's rights may include the right to have the principal amount of Securities repaid by such Issuer at maturity, the right to receive interest based on the principal amount of such Securities or otherwise, the right to receive a cash amount from the relevant Issuer calculated in accordance with the relevant Final Terms or the right to receive delivery of a specified asset or assets against payment of a specified sum, all as more particularly described in the relevant Final Terms.

Upon insolvency of the Issuer, Holders of the Securities will be paid at the same time as Holders of other unsecured obligations of the Issuer and will be paid after preferred obligations (for example, secured creditors). If the Issuer is unable to repay amounts due to Holders, each Holder will be treated equally with all other Holders who own unsecured Securities issued by the Issuer, but will be entitled to claim for any shortfalls in amounts owed but unpaid by the Issuer against the Guarantor (if any). You will not have any recourse to any Reference Assets.

10. **What do you have to do to exercise your rights in respect of your Securities?**

In respect of Securities other than German Securities, your rights relating to the Securities are governed by the procedures of the relevant clearing systems. As only the legal Holders of the Securities can exercise any right to early repayment of the Securities, if you wish any such right to early repayment to be exercised on your behalf, you must contact the custodian through which you hold your interest for details of how to give notice. You should ensure proper and timely instructions are given to your custodian requesting that it notify the Holder to exercise the repayment right on your behalf.

In respect of German Securities, you may exercise your rights directly in accordance with the terms and conditions of your Securities. However, you will generally be required to instruct your custodian to transfer your Securities to the Relevant Programme Agent in order to do so.

11. How can you enforce your rights against an Issuer if the Issuer has failed to make a payment of principal on the Securities?

The Issuer has executed a deed of covenant in respect of Securities which are governed by English law, pursuant to which it covenants in favour of the Holders of Securities to comply with its obligations set out in the General Conditions and Specific Product Provisions. Holders of Securities are granted direct rights against the Issuer, including without limitation, the right to receive all payments, and are able to enforce such direct rights. This means that even if the legal "Holder" of the Securities is a depositary on behalf of a clearing system, the accountholders in the clearing system will still be able to make a direct claim against the Issuer without having to rely on the depositary doing so on their behalf.

In respect of German Securities, you may enforce your rights under the Securities directly against the issuer. You may not rely on your custodian or any other person to make any claims on your behalf.

12. How are payments made to you?

The Issuer will make payments of interest and principal or other amounts by paying the total amount payable to the clearing system(s), who will credit the appropriate amount to the account of each accountholder in such clearing system which holds the Securities (which may include your custodian), in each case, in accordance with the rules and policies of the clearing system(s). You must look to your custodian for payments on your Securities. The Issuer has no obligation to make payments directly to end investors.

If a date specified for payment is not a business day, then the Issuer will make the relevant payment on the first following day that is a business day. On these occasions, the payment will be treated as if it were made on the original specified date for payment and will not be considered to be a late payment. Accordingly, the Issuer will not pay any additional interest amount for the postponement.

13. What if the Securities are not held through a clearing system?

For Securities not held through a clearing system, the "Holder" will be the investor shown on the register (in the case of registered Securities) or the investor who physically holds the Security (in the case of bearer Securities). To receive payment of principal interest or other amounts, you will need to contact the registrar (in the case of registered Securities) or the Relevant Programme Agent (for bearer Securities) and present evidence of your holding of the Security. The Issuer will not make payments to you directly but will do so through the Relevant Programme Agents.

14. How are Reference Assets delivered to you?

If the terms of the Securities specify that a Reference Asset will be delivered to you on any date specified in the Final Terms of the Securities, the Holder will be required to complete a reference asset transfer notice (the form of which can be obtained from the Relevant Programme Agent) and deliver it to the Relevant Programme Agent. Upon receipt of a completed reference asset transfer notice, the Issuer will procure the delivery of the Reference Asset in the manner specified in the relevant Final Terms or in such other commercially reasonable manner as the Issuer shall determine to be appropriate for such delivery and shall notify the Holders in accordance with the General Conditions. Delivery will usually take place through the clearing systems. The reference asset transfer notice will contain, amongst other things, a certification of non-U.S. beneficial ownership or, in the case of Rule 144A Securities, that it is an eligible investor for the purposes of U.S. securities laws. If the reference asset transfer notice does not contain such a certification, the Issuer may deliver a cash amount which the Calculation Agent estimates to be the fair market value of the deliverable assets in lieu of the assets themselves. No reference asset transfer notice is required for German Securities. If the Issuer is unable to deliver the Reference Assets as a result of market disruption, it will deliver the deliverable assets on the day on which such disruption has ceased, and will not have any obligation to pay interest or other amounts to Holders to compensate them for the delay. The Issuer has a right, in its discretion, to settle any obligation

to deliver Reference Assets where settlement has been disrupted by payment of a cash amount which the Calculation Agent estimates to be the fair market value of such Reference Assets.

15. When are payments made to investors?

Each type of Security will have a different repayment date or settlement date. Securities that bear interest (whether accrued at a fixed or floating rate or calculated by reference to a Reference Asset) will also have interest payment dates.

16. Who calculates the amounts payable to you?

Unless otherwise specified in the relevant Final Terms, J.P. Morgan Securities Ltd. or J.P. Morgan Securities, Inc. will act as the Calculation Agent in respect of Securities, and in such capacity, will determine the performance levels of the Reference Asset(s) on specified valuation dates and will determine any interest amounts and the redemption amounts and/or physical settlement amounts payable or deliverable by the Issuer in respect of such Securities. In the event that a disruption event has occurred in respect of a Reference Asset on a specified valuation date which renders it impossible for the Calculation Agent to make a determination on such date, the valuation may be postponed to an alternative date in accordance with the terms and conditions of the Securities.

In the event that the performance of an Issuer's obligations under the Securities shall have become unlawful in whole or in part as a result of compliance in good faith by such Issuer with any applicable present or future applicable law or regulation, which results in the early termination of the Securities, the Calculation Agent will determine the early payment amount of such Securities on the basis of its commercially reasonable assessment of the fair market value of such Securities immediately prior to such termination (ignoring such illegality). The early repayment amount will also take into account any costs incurred by the Issuer (or any entity acting as a hedging entity on its behalf) in unwinding any hedges which it has entered into in connection with the Securities.

17. What further determinations may the Calculation Agent have to make?

The terms and conditions of the Securities shall provide that the Calculation Agent is the entity responsible for determining whether certain events have occurred (some of which are mentioned below), and where it determines that such events have occurred, what the consequence of such event shall be in respect of the Securities - which may be (depending on the event, the Reference Asset and the terms of the particular Securities) any of (i) adjustment to the terms of the Securities (including reduced payout) and/or (ii) early redemption of the Securities and/or (iii) substitution or replacement of the Reference Asset. A non-exhaustive summary of some events that the Calculation Agent may determine shall have occurred is set out below:

- (a) Market Disruption Event – essentially an event that may affect the valuation of the Reference Asset or, depending on the type of the Reference Asset, possibly its content or formula including, for example, early closure or trading disruption or imposition of a "limit price" on a relevant exchange or failure to publish the value of the Reference Asset or various other events and circumstances;
- (b) Potential Adjustment Event (in respect of the Share Linked Provisions) - includes (i) a sub-division, consolidation or re-classification of the Shares, (ii) an extraordinary dividend, (iii) a call of the Shares that are not fully paid, (iv) a repurchase by the issuer, or an affiliate thereof, of the Shares, (v) a separation of rights from the Shares, or (vi) any event having a dilutive or concentrative effect on the value of the Shares;
- (c) Extraordinary Events (in respect of the Share Linked Provisions) - includes (i) a delisting of the Shares on an exchange which is not followed by the immediate re-listing of the Shares on a suitable exchange, (ii) an insolvency of the issuer of the Shares (where all the Shares of the issuer of the Shares are transferred to a trustee, liquidator or similar official or may not be legally transferred), (iii) a merger event entailing the consolidation of the Shares with those of another entity, (iv) a nationalisation of the issuer of the Shares or transfer of the Shares to a governmental

entity, or (v) a tender offer or takeover offer that results in transfer of the Shares to another entity;

- (d) Additional Disruption Events (in respect of the Share Linked Provisions) - includes (i) a change in applicable law since the Issue Date that makes it illegal to hold, acquire or dispose of the Shares or more expensive for the Issuer to hedge its obligations under the relevant Securities or (ii) if specified to be applicable, an insolvency filing by or on behalf of the underlying Share Issuer and/or a Hedging Disruption;
- (e) Index Adjustment Event (in respect of the Index Linked Provisions) - any event that results in (i) a material non-prescribed modification of the composition of an index, (ii) the cancellation of an index, which is then not replaced, and (iii) the non-publication of an index level (though this may be a Market Disruption Event for certain Indices);
- (f) Change in Law (in respect of the Index Linked Provisions) - a change in applicable law since the Issue Date that makes it illegal to hold, acquire or dispose of components of the Index or more expensive for the Issuer to hedge its obligations under the relevant Securities;
- (g) FX Disruption Event - an event that makes conversion of specified and settlement currencies impossible; and
- (h) Settlement Disruption Event - an event beyond the control of the Issuer or other Hedging Entity as a result of which, in the opinion of the Calculation Agent (acting in good faith and in a commercially reasonable manner), delivery of the Reference Asset Amount is illegal or is not practicable, or as a result of which the Relevant Clearing System cannot clear the transfer of the relevant Reference Assets.

If the Calculation Agent determines that a Market Disruption Event, Potential Adjustment Event, Extraordinary Event, Additional Disruption Event, Index Adjustment Event, Change in Law, FX Disruption Event or Settlement Disruption Event and any other applicable event has occurred, any consequential postponement of, or any alternative provisions for, valuation provided in the terms and conditions of any Securities and/or early redemption of the Securities and/or substitution or replacement of the Reference Asset may have an adverse effect on the value of such Securities.

18. Are the Calculation Agent's determinations binding on you?

All calculations, determinations or adjustments made by the Calculation Agent shall, in the absence of manifest error, be final, conclusive and binding on the Holders of the Securities. The Calculation Agent has a broad discretion to make changes to the terms of your Securities if any of the events described in question 17 (*What further determinations may the Calculation Agent have to make?*) occur, although it is obliged to act in good faith and in a commercially reasonable manner. However, the Calculation Agent is not required to consult with Holders before making any determinations, and it is expected that it will not do so. In making its determinations, the Calculation Agent will take into account relevant market factors including, but not limited to, interest rates, the term structure of interest rates, spot foreign exchange rates and any other factors which the Calculation Agent may deem relevant. The Calculation Agent is an agent of the Issuer and not of the Holders of Securities. You should also be aware that the Calculation Agent is likely to be J.P. Morgan Securities Ltd. or J.P. Morgan Securities, Inc. which are each affiliates of the Issuer. See the section entitled "Conflicts of Interest" on page 57 of this Base Prospectus.

19. Will you be able to sell your Securities?

Unless required to do so by the rules of any stock exchange on which the Securities are admitted to trading, neither J.P. Morgan Securities Ltd. nor any of its affiliates is obliged to make a secondary market in the relevant series of Securities. Even if J.P. Morgan Securities Ltd. or one of its affiliates does make a secondary market in the Securities, there is no guarantee that a secondary market will develop and you should therefore be prepared to hold your Securities until their repayment date. If J.P. Morgan Securities Ltd. or such affiliate does

make a secondary market, it may cease to do so at any time without notice to the holders of the Securities.

20. What will be the price of the Securities in such circumstances?

If it is possible to sell your Securities, they would be sold for the prevailing bid price in the market. The prevailing bid price may be affected by several factors including the performance of the Reference Asset, prevailing interest rates at the time of sale, the time remaining until the stated repayment date, transaction costs and the perceived creditworthiness of the Issuer and the Guarantor (if any). It is therefore possible that if you sell your Securities in the secondary market you may receive a price which is lower than your initial investment.

21. Are there any fees, expenses or taxes to pay when purchasing, holding or selling Securities?

You may incur fees and expenses in relation to the purchase, holding, transfer and sale of Securities. You should also be aware that stamp duties or taxes may have to be paid in accordance with the laws and practices of the country where the Securities are transferred. You should consult your selling agent for details of fees, expenses, commissions or other costs and your own tax advisors in order to understand fully the tax implications specific to investment in any Security.

22. Under what circumstances can the Issuer redeem the Securities before their stated maturity?

The Issuer does have limited rights to redeem the Securities earlier than the specified maturity or settlement date and repay the investor an early payment amount. These reasons may include:

- (a) the terms of the Securities give the Issuer a right to redeem the Securities on a specified date or dates (a call option);
- (b) the terms of the Securities oblige the Issuer to redeem the Securities upon the occurrence of a specified event, such as the price or level of the Reference Asset reaching a pre-determined barrier level;
- (c) except in relation to Securities issued by JPML, the Issuer has become obliged to pay additional amounts to Holders as a result of tax changes (see General Conditions 5.7 (*Redemption for Tax Reasons*) and 12 (*Early Termination of Warrants and Certificates for Taxation Reasons*));
- (d) it has become illegal for the Issuer to have the Securities outstanding (see General Condition 17.1 (*Termination Event*));
- (e) the Issuer determines that it will become subject to withholding tax on payments made to it as a result of holders failing to provide information required by new U.S. tax legislation (see General Condition 17.2 (*Tax Termination Event*)); and
- (f) a specified event has occurred relating to a Reference Asset (see the discussion under question 17 (*What further determinations may the Calculation Agent have to make?*)) together with the relevant Specific Product Provisions and the relevant Final Terms).

The early payment amount may be less than the price at which you purchased the Securities. For some Securities, the Issuer's right to repay the Securities can be exercised at any time or the Issuer may repay the Securities on the occurrence of a specified trigger event.

23. Are there any other circumstances in which your Securities may become repayable prior to maturity?

You will have the right to require the Issuer to redeem the Securities if (a) the terms of the Securities specify that you will have the right to do so on or after a specified date or (b) an event of default has occurred and is continuing.

24. **Can the Issuer amend the conditions of Securities once they have been issued without your consent?**

Yes, under certain circumstances described below.

The terms and conditions of Securities may be amended by the Issuer with the approval of the Calculation Agent but without the consent of the Holders (subject as provided above) if:

- (a) the amendment (1) is of a formal, minor or technical nature, or (2) is made to correct a manifest or proven error or omission or (3) will not materially and adversely affect the interests of the Holders; or
- (b) it has come to the attention of the Issuer that the terms of the relevant Securities contain an error or omission such that they do not represent the intended terms of such Securities on the basis of which they were sold and have since traded.

In addition, other changes may be made to the terms and conditions with the consent of the Holders of the Securities. In order to make such changes, the Issuer requires the consent of up to 75 per cent. of Holders. Any dissenting Holders will be bound by such changes. Therefore the Issuer may be able to make a change which you have voted against if up to 75 per cent. or more of Holders have approved the change.

French Securities may only be amended following consent of two-thirds of Holders.

In the case of German Securities, the terms and conditions of the Securities may be amended by the Issuer without the consent of the Holders, Couponholders or Receiptholders, if the amendment is to correct any manifest clerical or calculation errors or similar manifest incorrectness. In addition, the Issuer, may without the consent of the Holders, Couponholders or Receiptholders, amend or supplement at its reasonable discretion any contradictory or incomplete provisions of the terms and conditions of the Securities, provided that such amendments are reasonably acceptable to the Holder, Couponholder or Receiptholder. See General Condition 23.1(b) (*Modification of German Securities without Holder consent*).

Furthermore, the Holders may agree to amendments to the terms and conditions of the Securities with regard to matters permitted by the German Bond Act of 2009 (*Schuldverschreibungsgesetz*) by resolution with the majority specified in General Condition 23.1(e)(ii) proposed by the Issuer. Majority resolutions shall be binding on all Holders. See General Condition 23.1(e) (*Modification of German Securities with Holder consent*).

In all other cases, the terms and conditions of German Securities can only be amended with the consent of all of the Holders of such Securities.

Following the occurrence of certain events, the Calculation Agent, on behalf of the Issuer, may be entitled to amend the terms and conditions of Securities without requiring the consent of the Holders of such Securities. Typically, such events will have affected the composition, or calculation, of the Reference Asset(s) to such an extent that the Calculation Agent could not make any adjustment to account for the economic effect on the Securities without amending the terms and conditions of the Securities. See questions 25 (*What are Share Linked Securities?*), 27 (*What are Index Linked Securities?*), 29 (*What are Commodity Linked Securities?*) and 31 (*What are FX Linked Securities?*).

25. **What are Share Linked Securities?**

Amounts payable or assets deliverable in respect of some Securities, as indicated in the relevant Final Terms, will be calculated by reference to the performance of a share or a basket of shares (or one or more global depositary receipts) over a fixed period of time or on fixed dates. Such Securities are known as Share Linked Securities. The shares of companies that are referenced by such Securities are likely to be traded on a stock exchange and the prices of such shares may be published on recognised information services, for example, Bloomberg or Reuters screens or on the share issuer's website, in which case you will be able to monitor the relevant share prices during the life of the Share Linked Securities.

26. What are the Share Linked Provisions?

The Share Linked Provisions deal with how the payments related to Share Linked Securities are calculated and the consequences following the occurrence of (i) a disruption event which results in the Calculation Agent not being able to obtain a tradable price for a share on a day which it is required to do so in accordance with the terms and conditions of the Share Linked Securities, (ii) an adjustment event which has a diluting or concentrative effect on the price of a share, for example, a free distribution or dividend to existing holders, or (iii) an extraordinary event relating to a share, for example, a merger event, delisting or insolvency.

Examples of disruption events include (but are not limited to) (a) a suspension or limitation of trading relating to the share, (b) a disruption or impairment of the ability of market participants to effect transactions or obtain values for shares on the exchange on which the shares are listed or (c) a non-scheduled early closure of the exchange, for example as a result of an IT problem.

Adjustment provisions in the Share Linked Provisions allow the Calculation Agent to amend the terms and conditions of the Share Linked Securities so that they continue to produce a commercially reasonable result. In certain circumstances following the occurrence of such events, the Share Linked Securities will be redeemed (see question 22 (*Under what circumstances can the Issuer redeem the Securities before their stated maturity?*)).

27. What are Index Linked Securities?

Amounts payable or assets deliverable in respect of some Securities, as indicated in the relevant Final Terms, will be calculated by reference to the performance of an index or a basket of indices over a fixed period of time or on fixed dates. Such Securities are known as Index Linked Securities.

A share-based index is a synthetic portfolio of shares representing a particular market or portion of it and each such index has its own calculation methodology and is usually expressed in terms of a change from a base value.

There are three types of such share-based indices that are referenced by Index Linked Securities: (i) a unitary index, where the underlying shares are deemed to trade on a single stock exchange and the level of such index is published on a recognised information service; (ii) a multi-exchange index, where the underlying shares are deemed to trade on more than one stock exchange and the level of such index is published on a recognised information service, and (iii) a proprietary index, where the level of such index is calculated by the entity that owns and sponsors such index rather than relying on the stock exchange traded prices of the underlying shares. A JPMorgan affiliate may be the sponsor of an index.

28. What are the Index Linked Provisions?

The Index Linked Provisions deal with how the payments related to Index Linked Securities are calculated and the consequences following the occurrence of (i) a disrupted day or a disruption event with respect to an index which results in the Calculation Agent not being able to obtain a tradable level for an index on a day which it is required to do so in accordance with the terms and conditions of the Index Linked Securities or (ii) an adjustment event with respect to an index.

A disrupted day has a different meaning for each type of index: (a) in respect of a unitary index, a day on which the exchange on which the underlying shares trade and the related exchange (on which trading in futures or options contracts related to such index) is scheduled to be open for trading but fails to open or a day on which a disruption event has occurred; (b) in respect of a multi-exchange index, a day on which the index sponsor fails to publish the index level or the related exchange (on which trading in futures or options contracts related to such index) fails to open or a day on which a disruption event has occurred; and (c) in respect of a proprietary index, a day on which a disruption event has occurred.

Examples of disruption events in respect of a unitary index and a multi-exchange index include (but are not limited to) (a) a suspension or limitation of trading relating to the shares that comprise 20 per cent. of the index, (b) a disruption or impairment of the ability of market

participants to effect transactions or obtain tradable values for shares that comprise 20 per cent. of the index on the exchanges on which such shares are listed or (c) a non-scheduled early closure of the exchanges in respect of shares that comprise 20 per cent. of the index, for example as a result of an IT problem.

Examples of index adjustment events include (but are not limited to) (a) the cancellation and non-replacement of an index, (b) the failure to publish the index level, and (c) a non-scheduled material modification to the formula for, or calculation of, the index.

Adjustment provisions in the Index Linked Provision allow the Calculation Agent to amend the terms and conditions of the Index Linked Securities so that they continue to produce a commercially reasonable result. In certain circumstances following the occurrence of such events, the Index Linked Securities will be redeemed (see question 22 (*Under what circumstances can the Issuer redeem the Securities before their stated maturity?*)).

29. What are Commodity Linked Securities?

Amounts payable or assets deliverable in respect of some Securities, as indicated in the relevant Final Terms, will be calculated by reference to the performance of a commodity, or a basket of commodities, a commodity index or a basket of commodity indices over a fixed period of time or on fixed dates. Such Securities are known as Commodity Linked Securities.

Commodities (including contracts that provide for physical delivery or are based on the price of a deliverable commodity) and commodity indices are generally divided into four main classes: (i) energy, which includes crude oil, gasoline, heating oil and natural gas, (ii) agricultural produce, which includes corn, soybeans, soybean oil, wheat, sugar, cocoa, cotton and coffee, (iii) livestock, which includes cattle and lean hogs, and (iv) metals, which can be subdivided into base metals such as aluminium, copper, nickel, lead and zinc, and precious metals such as gold, silver and platinum.

A commodity index is generally a synthetic production weighted basket of commodity futures contracts that satisfy specified criteria and is designed to be a liquid and diversified benchmark for such commodities. Each commodity index has its own composition and calculation methodology and is usually expressed in terms of a change from a base value.

30. What are the Commodity Linked Provisions?

The Commodity Linked Provisions deal with how the payments related to Commodity Linked Securities are calculated and the consequences following the occurrence of (i) a disruption event with respect to a commodity or commodity index which results in the Calculation Agent not being able to obtain a price for a commodity or a level for a commodity index on a day which it is required to do so in accordance with the terms and conditions of the Commodity Linked Securities or (ii) an adjustment event with respect to a commodity index.

Examples of disruption events in respect of commodities include (but are not limited to) (i) the disappearance of trading in, or the price of, the commodity, (ii) a material change in the content or calculation formula of the commodity, (iii) the failure to publish the price of the commodity, (iv) the material suspension of or limitation on, trading in the commodity, and (v) the imposition of tax on the commodity.

Examples of disruption events in respect of commodity indices include (but are not limited to) (i) a material limitation, suspension or disruption of trading in one or more futures contracts included in the commodity index, (ii) the closing price of a futures contract included in the commodity index exceeds or falls below the exchange's permitted price limits and (iii) the failure to publish a price of a futures contract included in the commodity index.

Examples of commodity index adjustment events include (but are not limited to) (a) the cancellation and non-replacement of a commodity index, (b) the failure to publish the index level and (c) a non-scheduled material modification to the formula for, or calculation of, the commodity index.

Adjustment provisions in the Commodity Linked Provisions allow the Calculation Agent to amend the terms and conditions of the Commodity Linked Securities so that they continue to produce a commercially reasonable result following the occurrence of commodity index adjustment events. In certain circumstances following the occurrence of such events, the Commodity Linked Securities will be redeemed (see question 22 (*Under what circumstances can the Issuer redeem the Securities before their stated maturity?*)).

31. **What are FX Linked Securities?**

Amounts payable in respect of some Securities, as indicated in the relevant Final Terms, will be calculated by reference to the performance of a foreign exchange rate or a basket of foreign exchange rates over a fixed period of time or on fixed dates. Such Securities are known as FX Linked Securities. Foreign exchange rates indicate the relationship between one specified currency and another currency. The values of such foreign exchange rates are published by recognised information services or are determined by central banks.

32. **What are the FX Linked Provisions?**

The FX Linked Provisions deal with how the payments related to FX Linked Securities are calculated and the consequences following the occurrence of a disruption event with respect to an exchange rate which results in the Calculation Agent not being able to obtain an exchange rate on a day which it is required to do so or to actually convert one relevant currency into another in accordance with the terms and conditions of the FX Linked Securities.

Examples of disruption events include (i) the occurrence of an event which means it becomes impossible to obtain the exchange rate and (ii) the occurrence of an event which affects the convertibility of a reference currency into the base currency.

Adjustment provisions in the FX Linked Provisions allow the Calculation Agent to amend the terms and conditions of the FX Linked Securities so that they continue to produce a commercially reasonable result. In certain circumstances following the occurrence of such events, the FX Linked Securities will be redeemed (see question 22 (*Under what circumstances can the Issuer redeem the Securities before their stated maturity?*)).

33. **What are Credit Linked Notes?**

Credit Linked Notes are Notes in respect of which the amount payable at maturity and the amount payable on each interest payment date (if any) are linked to the credit risk of one or more underlying entities (each a "**Reference Entity**"). In exchange for a higher rate of interest or other return on the Notes in the absence of a Credit Event, investors take the risk that the amount which they receive at maturity will be less than the face value of the Note and the amount of interest they receive may be reduced if the Reference Entity has, amongst other similar things, become insolvent or defaulted on its obligations. Insolvency or default of a Reference Entity is referred to as a "Credit Event" having occurred. If a Credit Event has occurred with respect to a Reference Entity to which your Notes are linked, you will receive a reduced percentage (which may be zero) of the face value of each Note you hold calculated by reference to the recovery rate achieved by creditors of the Reference Entity if your Notes are cash settled, or you will receive a certain direct or indirect obligation of the Reference Entity if your Notes are physically settled.

GENERAL CONDITIONS

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The following is the text of the terms and conditions of the Securities other than German Securities (these "General Conditions") that, subject to completion and amendment in accordance with the provisions of the relevant Final Terms shall be incorporated by reference into the Global Security representing each Tranche of Securities other than German Securities. Either (i) the full text of these General Conditions together with the relevant provisions of the Final Terms and/or the relevant Drawdown Prospectus, as applicable, or (ii) these General Conditions as so completed and amended (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on any Bearer Securities in definitive form, or on the registered certificates relating to any Registered Securities, as applicable.

All capitalised terms that are not defined in these General Conditions will have the meanings given to them in the relevant Final Terms and/or the relevant Drawdown Prospectus, as applicable. References in these General Conditions to "Notes" or "Warrants" or "Certificates" are to the Notes, Warrants or Certificates of one Series only, not to all Securities that may be issued under the Programme. Any reference in these General Conditions to "the relevant Final Terms" shall be construed as a reference to "the relevant Final Terms and/or Drawdown Prospectus, as applicable".

With respect to German Securities, the terms and conditions will be the Consolidated Conditions. The Consolidated Conditions for each Series of German Securities shall consist of (a) the General Conditions as set out in the Base Prospectus, and any applicable Specific Product Provisions, in each case as amended by the deletion of non-applicable provisions and (b) the Special Conditions. Matters which are expressed in this Base Prospectus to be specified in the relevant Final Terms or which deviate from the General Conditions will be specified in such Special Conditions of the relevant Series. The Consolidated Conditions will be attached to the Global Security representing the German Securities and will be endorsed on any German Securities in definitive form.

The Specific Product Provisions contained in Annex 1 in respect of Share Linked Securities, in Annex 2 in respect of Index Linked Securities, in Annex 3 in respect of Commodity Linked Securities, in Annex 4 in respect of FX Linked Securities, in Annex 5 in respect of Market Access Participation Notes and in Annex 6 in respect of Low Exercise Price Warrants, will, if specified to be applicable in the relevant Final Terms, complete and amend these General Conditions.

A. INTRODUCTION

J.P. Morgan Structured Products B.V. ("JPMSB"), J.P. Morgan Bank Dublin plc ("JPMBD"), J.P. Morgan Indies SRL ("JPMI"), JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. (each an "Issuer" and together, the "Issuers") have established a structured products programme (the "Programme") for the issuance of notes ("Notes"), warrants ("Warrants") and certificates ("Certificates", and together with Notes and Warrants, "Securities"). The Securities are issued pursuant to an agency agreement (as amended and/or supplemented and/or restated as at the Issue Date, the "Agency Agreement") dated 14 May 2010 between J.P. Morgan Structured Products, B.V., J.P. Morgan Bank Dublin plc, J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co., the Relevant Programme Agents and the other agents named therein.

JPMorgan Chase Bank, N.A. has absolutely and unconditionally guaranteed the due and punctual settlement of all obligations of JPMSB in respect of the Securities issued by JPMSB in a guarantee dated 14 May 2010 (as amended and/or supplemented and/or restated as at the Issue Date, the "JPMorgan Chase Bank, N.A. Guarantee").

JPMorgan Chase & Co. has absolutely and unconditionally guaranteed the due and punctual settlement of all obligations of each of JPMBD and JPMI in respect of the Securities issued by each of JPMBD and JPMI in a guarantee dated 14 May 2010 (as amended and/or supplemented and/or restated as at the Issue Date, the "JPMorgan Chase & Co. Guarantee").

JPMorgan Chase Bank, N.A. in its capacity as guarantor of Securities issued by JPMSB, and JPMorgan Chase & Co. in its capacity as guarantor of Securities issued by JPMBD and JPMI are together referred to as the "Guarantors" and each is a "Guarantor".

The Securities, to the extent they are governed by English law, have the benefit of a deed of covenant dated 14 May 2010 (as amended and/or supplemented and/or restated as at the Issue Date, the "Deed of Covenant") given by the Issuers in relation to Securities cleared through Euroclear Bank S.A./N.V.,

Clearstream Banking, société anonyme, Clearstream Banking AG, Frankfurt, Euroclear Sweden AB, Euroclear Finland Oy, the Finnish Central Securities Depository, the Norwegian Central Securities Depository, VP Securities A/S or SIX SIS AG, as the case may be.

Copies of the Agency Agreement, the Deed of Covenant, the JPMorgan Chase Bank, N.A. Guarantee, the JPMorgan Chase & Co. Guarantee, the forms of Global Securities and the Securities in definitive form (if applicable) are available for inspection at the specified office of the Relevant Programme Agent.

Save in respect of German Securities, Couponholders and Receiptholders are deemed to have notice of all of the provisions of the Agency Agreement applicable to them, and if applicable, are bound by and deemed to have notice of all the provisions of the relevant Global Security (if any).

The provisions contained in Annex 1 in respect of Share Linked Securities (the "**Share Linked Provisions**"), in Annex 2 in respect of Index Linked Securities (the "**Index Linked Provisions**"), in Annex 3 in respect of Commodity Linked Securities (the "**Commodity Linked Provisions**"), in Annex 4 in respect of FX Linked Securities (the "**FX Linked Provisions**"), in Annex 5 in respect of Market Access Participation Notes (the "**Market Access Participation Provisions**") and in Annex 6 in respect of Low Exercise Price Warrants (the "**LEPW Provisions**" and, together with the Share Linked Provisions, the Index Linked Provisions, the Commodity Linked Provisions, the FX Linked Provisions and the Market Access Participation Provisions, the "**Specific Product Provisions**") will, if specified to be applicable in the relevant Final Terms, complete and amend these General Conditions.

These General Conditions, as completed and/or amended by any applicable Specific Product Provisions, in each case subject to completion and/or amendment in the relevant Final Terms, shall be the conditions of the Securities (the "**Conditions**"). To the extent that there is any inconsistency between the Specific Product Provisions and these General Conditions, the Specific Product Provisions shall prevail. To the extent that there is any inconsistency between the relevant Final Terms and the Specific Product Provisions and/or these General Conditions, the relevant Final Terms shall prevail.

Securities issued under the Programme are issued in series (each, a "**Series**"), and each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of Securities. One or more Tranches of Securities will be the subject of a final terms (each, a "**Final Terms**"), a copy of which may be obtained by Holders free of charge from the specified office of the Relevant Programme Agent.

Capitalised terms used in these General Conditions have the meanings given in General Condition 31 (*Definitions and Interpretation*).

B. FORM, DENOMINATION, TITLE, TRANSFER AND GUARANTEE OF THE SECURITIES

1. Form, Denomination and Title

1.1 Form and Denomination

(a) Bearer Securities

- (i) *Bearer Securities other than French Bearer Securities:* Bearer Notes are in the Specified Denomination(s) and may (if the Securities are in definitive form) be issued with Coupons and shall (if the Securities are in definitive form) be serially numbered, if applicable, with Talons attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these General Conditions are not applicable. Instalment Notes in definitive form are issued with one or more Receipts attached. Bearer Securities (other than French Bearer Securities) are initially represented by a temporary global security (the "**Temporary Bearer Global Security**") without coupons.

Bearer Notes may be issued in New Global Note ("**NGN**") form. Bearer Notes represented by Temporary Global Securities or Permanent Global Securities will be delivered to a common safekeeper (the "**Common Safekeeper**") for Euroclear and/or Clearstream, Luxembourg, if in NGN form.

- (ii) *French Bearer Securities*: Securities which are issued by JPMSP or JPMBD in bearer dematerialised form (*au porteur*) and inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of Euroclear France Account Holders are "**French Bearer Securities**".

(b) **Registered Securities**

- (i) *Registered Securities other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities*: Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities) are (in the case of Registered Notes) in the Specified Denomination(s) and (if the Registered Securities are in definitive form) represented by registered certificates and, in respect of Notes, save as provided in General Condition 5.3 (*Exercise of Options or Partial Redemption in Respect of Registered Notes in definitive form*), each registered certificate shall represent the entire holding of Registered Securities by the same Holder. Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities) are initially represented by a temporary global security (the "**Temporary Registered Global Security**").
- (ii) *French Registered Securities*: Securities which are issued by JPMSP or JPMBD in registered dematerialised form (*au nominatif*) and, at the option of the relevant Holder in either administered registered form (*au nominatif administré*) inscribed in the books of a Euroclear France Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the "**French Registration Agent**") are "**French Registered Securities**", and together with French Bearer Securities, are "**French Securities**". French Securities shall not be issued in or exchangeable into Securities in definitive form.
- (iii) *Danish Notes*: Notes which are issued in uncertificated and dematerialised book-entry form in accordance with the Danish Securities Trading Act (Consolidated Act No 795 of 20 August 2009, as subsequently amended) including executive order no. 369 of 14 May 2009 on registration (book-entry) of dematerialised securities in a centralised securities depository, as subsequently amended, are "**Danish Notes**". Danish Notes shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent the General Conditions are inconsistent with the VP Rules. Danish Notes shall not be issued in or exchangeable into Notes in definitive form.
- (iv) *Finnish Securities*: Securities which are issued in uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry System (*laki arvo-osuusjärjestelmästä* (826/1991)), with Euroclear Finland which is designated as the registrar in respect of the Finnish Securities (the "**Finnish Registrar**") are "**Finnish Securities**". Finnish Securities shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent not otherwise provided herein or to the extent that the General Conditions are inconsistent with Euroclear Finland Rules.
- (v) *Norwegian Securities*: Securities which are issued in uncertificated and dematerialised book-entry form in accordance with the Norwegian Securities Register Act (*lov om registrering av finansielle instrumenter av 2002 5. juli nr. 64*) are "**Norwegian Securities**". Norwegian Securities shall be regarded as Registered Securities for the purposes of these General Conditions save to the extent the General Conditions are inconsistent with the VPS Rules. Norwegian Securities shall not be issued in or exchangeable into Securities in definitive form.
- (vi) *Swedish Securities*: Securities which are issued in uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*) are "**Swedish Securities**". Swedish Securities shall be regarded as Registered Securities for the purposes of these

General Conditions save to the extent the General Conditions are inconsistent with the Swedish CSD Rules.

- (vii) *Swiss Securities*: Securities which are cleared through SIS and initially represented by a Global Security in registered form (a "**Swiss Global Security**") that is deposited with SIS acting as central depository, are "**Swiss Securities**". As a matter of Swiss law, once a Swiss Global Security is deposited with SIS and entered into the accounts of one or more participants of SIS, the Swiss Securities represented thereby will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) ("**Intermediated Securities**").
- (viii) *Rule 144A Securities*: Securities which may be sold to certain qualified institutional buyers in the United States in reliance on Rule 144A of the United States Securities Act of 1933, as amended, are "**Rule 144A Securities**". The Registered Global Security in respect of each Series of Rule 144A Securities will be deposited on or about the Issue Date with the DTC Custodian on behalf of DTC. Rule 144A Securities will only be issued in registered form, without interest coupons attached, and will not be issued in bearer form. In addition, Rule 144A Securities may be cleared through another Relevant Clearing System in addition to, or in place of, DTC. In such event the Global Security may be deposited with such Relevant Clearing System or a depository therefor. Upon registration of Rule 144A Securities in the name of any nominee for DTC and delivery of the relative Global Security to the DTC Custodian, DTC will credit each clearing system participant with, (a) in respect of Rule 144A Securities (other than Rule 144A Notes), a number of Rule 144A Securities equal to the number thereof for which it has subscribed and paid and (b) in respect of Rule 144A Notes, the aggregate principal amount of Rule 144A Notes for which it has subscribed and paid. Rule 144A Securities that are initially deposited with DTC or any other Relevant Clearing System may similarly be credited to the accounts of subscribers with other Relevant Clearing Systems.

(c) ***Exchange of Securities***

- (i) *Exchange of Rule 144A Securities*: Rule 144A Securities represented by a Global Security will not be exchanged for Securities in definitive form except:
 - (A) in the case of a Global Security held on behalf of DTC, if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to such Global Security, or ceases to be a "**clearing agency**" registered under the Exchange Act, or if at any time it is no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice or becoming aware of such ineligibility on the part of DTC;
 - (B) in the case of a Global Security held by a Relevant Clearing System other than DTC, if the Relevant Clearing System is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
 - (C) following the occurrence of an Event of Default as provided in these General Conditions; or
 - (D) if the Issuer so decides,

provided that, in the case of the first transfer of part of a holding pursuant to (A), (B) and (C) above, the registered Holder has given the Registrar not less than 30 days' notice at its specified office of the registered Holder's intention to effect such transfer and, in the case of a transfer pursuant to (C) above, each person having an interest in the Rule 144A Securities represented by such Global Security has provided the Registrar with a fully completed, signed certification substantially to the effect that such person is not transferring its interest at the time of such exchange. Upon the occurrence of any of the events specified in (A) to (D) (inclusive) above and

satisfaction of any applicable condition in the proviso to the preceding sentence, the Holder of a Global Security may, on or after any due date for exchange, surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Relevant Programme Agent. In exchange for any Global Security, or the part thereof to be exchanged, the relevant Issuer will in the case of a Global Security exchangeable for Securities in definitive form, deliver, or procure the delivery of, an equal aggregate number of duly executed and authenticated Securities in definitive form. Where the holding of Rule 144A Securities represented by a Global Security is only transferable in its entirety, only a Global Security shall be issued to the transferee upon transfer of such holding. Where transfers are permitted in part, a Global Security shall only be issued to transferees if the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for DTC and/or a Relevant Clearing System.

Each new Rule 144A Security in definitive form to be issued pursuant to this General Condition 1.1(c)(i) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Put Option Exercise Notice (in respect of a partial exercise of the Securities represented by the original Rule 144A Security in definitive form) and surrender of the relevant Rule 144A Security in definitive form for exchange. Delivery of the new Securities in definitive form shall be made at the specified office of the Relevant Programme Agent to whom delivery or surrender of such request for exchange, form of transfer, or Put Option Exercise Notice for the Rule 144A Security in definitive form shall have been made. At the option of the Holder making such delivery or surrender as aforesaid and if it is so specified in the relevant request for exchange, form of transfer, Put Option Exercise Notice or otherwise in writing, the new Rule 144A Security in definitive form shall be mailed by uninsured post at the risk of the Holder entitled to the new Rule 144A Security in definitive form to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Relevant Programme Agent the costs of such other method of delivery and/or such insurance as it may specify. In this General Condition 1.1, "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Relevant Programme Agent.

(ii) *Exchange of Bearer Securities other than French Bearer Securities and German Securities:*

(A) Temporary Bearer Global Securities

Each Temporary Bearer Global Security will be exchangeable, free of charge to the Holder (subject as provided below), on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement (i) for interests in a Permanent Bearer Global Security or (ii) if requested by the Holder on behalf of the beneficial owner of an interest in the Temporary Bearer Global Security, for Bearer Securities in definitive form (in which event such Holder's interests in the Temporary Bearer Global Security will be exchanged for Bearer Securities in definitive form and such Holder's Bearer Securities in definitive form will be removed, upon issuance, from the Relevant Clearing System and may not be readmitted into the Relevant Clearing System), provided that any exchange for Bearer Securities in definitive form issued by JPMSP or JPMBD made pursuant to or as a result of the request of a Holder on behalf of a beneficial owner will be, in all circumstances, at such beneficial owner's expense. No Bearer Security in definitive form will be delivered to any address within the United States.

(B) Permanent Bearer Global Securities

Each Permanent Bearer Global Security ("**Permanent Bearer Global Security**") will be exchangeable, free of charge (save as provided in paragraph (3) below) to the Holder, on or after its Exchange Date in whole but not in part for Bearer Securities in definitive form:

- (1) by the relevant Issuer giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange;
- (2) otherwise (1) if the Permanent Bearer Global Security is held on behalf of a Relevant Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), or has announced an intention permanently to cease business or in fact closes or (2) if any Instalment Amount, Early Payment Amount, Final Redemption Amount, Redemption Amount or Settlement Amount, as applicable, in respect of any Security represented by such Bearer Global Security is not paid when due by the Holder giving notice to the Relevant Programme Agent of its election for such exchange; or
- (3) otherwise, in the case of an exchange for Bearer Securities in definitive form, if requested by the Holder on behalf of the beneficial owner of an interest in the Permanent Bearer Global Security (such request, a "**Holder's Request**") (in which event such Holder's interests in the Permanent Bearer Global Security will be exchanged for Bearer Securities in definitive form and such Holder's Bearer Securities in definitive form will be removed, upon issuance, from the Relevant Clearing System and may not be readmitted into the Relevant Clearing System), provided that any exchange for Bearer Securities in definitive form issued by JPMSP or JPMBD made pursuant to or as a result of the Holder's Request will be, in all circumstances, at such requesting beneficial owner's expense. No Bearer Security in definitive form will be delivered to any address within the United States.

(C) Holder's Request

Any Holder's Request must include the name, address and telephone number of the requesting beneficial owner, as well as an undertaking from such beneficial owner to bear the costs of exchange as set out above.

(iii) *Exchange of German Securities:*

(A) Temporary Bearer Global Securities

Each Temporary Bearer Global Security will be exchangeable, free of charge to the Holder (subject as provided below), on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership (i) for interests in a Permanent Bearer Global Security or (ii) in the case of (x) German Securities issued by JPMSP or JPMBD which are held by a common depository on behalf of Euroclear and Clearstream, Luxembourg and (y) German Securities issued by JPMorgan Chase Bank, N.A., or JPMorgan Chase & Co., unless the relevant Final Terms specify "Holder's Request" to be not applicable, if requested by the Holder of an interest in the Temporary Bearer Global Security, for Bearer Securities in definitive form (in which event such Holder's interests in the Temporary Bearer Global Security will be exchanged for Bearer Securities in definitive form and such Holder's Bearer Securities in definitive form will be removed, upon issuance, from the Relevant Clearing System and may not be readmitted into the Relevant Clearing System), provided that any exchange for Bearer Securities in definitive form issued by JPMSP or JPMBD made pursuant to or as a result of the request of a Holder will be, in all circumstances, at such Holder's expense. No Bearer Security in definitive form will be delivered to any address within the United States.

(B) Permanent Bearer Global Securities

Each Permanent Bearer Global Security ("**Permanent Bearer Global Security**") will be exchangeable, free of charge (save as provided in paragraph

(2) below) to the Holder, on or after its Exchange Date in whole but not in part for Bearer Securities in definitive form:

- (1) (x) if the Permanent Bearer Global Security is held on behalf of a Relevant Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), or has announced an intention permanently to cease business or in fact closes or (y) if any Instalment Amount, Early Payment Amount, Final Redemption Amount, Redemption Amount or Settlement Amount, as applicable, in respect of any Security represented by such Bearer Global Security is not paid when due by the Holder giving notice to the Relevant Programme Agent of its election for such exchange; or
- (2) otherwise, in the case of an exchange for Bearer Securities in definitive form, in the case of (x) German Securities issued by JPMSP or JPMBD which are held by a common depositary on behalf of Euroclear and Clearstream, Luxembourg and (y) German Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., unless the relevant Final Terms specify "Holder's Request" to be not applicable, if requested by the Holder of an interest in the Permanent Bearer Global Security (such request, a "**Holder's Request**") (in which event such Holder's interests in the Permanent Bearer Global Security will be exchanged for Bearer Securities in definitive form and such Holder's Bearer Securities in definitive form will be removed, upon issuance, from the Relevant Clearing System and may not be readmitted into the Relevant Clearing System), provided that any exchange for Bearer Securities in definitive form issued by JPMSP or JPMBD made pursuant to or as a result of the Holder's Request will be, in all circumstances, at such requesting Holder's expense. No Bearer Security in definitive form will be delivered to any address within the United States.

(C) Holder's Request

Any Holder's Request (if applicable) must include the name, address and telephone number of the requesting Holder, as well as an undertaking from such Holder to bear the costs of exchange as set out above.

- (iv) *Exchange of Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities, Swiss Securities and Rule 144A Securities):*

(A) Temporary Registered Global Securities

Each Temporary Registered Global Security will be exchangeable, free of charge to the Holder, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Registered Global Security.

(B) Permanent Registered Global Securities

Each Permanent Registered Global Security will be exchangeable, free of charge to the Holder, on or after its Exchange Date in whole but not in part for Registered Securities in definitive form:

- (1) by the relevant Issuer giving notice to the Holders and the Registrar of its intention to effect such exchange; or
- (2) otherwise (1) if the Permanent Registered Global Security is held on behalf of Euroclear or Clearstream, Luxembourg or any other Relevant Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays,

statutory or otherwise), or has announced an intention permanently to cease business or in fact closes or (2) if any Instalment Amount, Early Payment Amount, Final Redemption Amount, Redemption Amount or Settlement Amount, as applicable, in respect of any Security represented by such Registered Global Security is not paid when due by the holder giving notice to the Registrar of its election for such exchange.

- (v) *Exchange of Swiss Securities:* Unless otherwise specified in the relevant Final Terms, the Swiss Global Security will be exchangeable for Registered Securities in definitive form in the limited circumstances described in the paragraph immediately below. No Holder of Swiss Securities will at any time have the right to effect or demand the conversion of the Swiss Global Security into, or the delivery of, uncertificated Securities or Securities in definitive form.

The Swiss Global Security will only be exchangeable for Securities in definitive form (i) if the Swiss Programme Agent determines that SIS has become permanently unable to perform its functions in relation to the relevant Swiss Securities as a result of its insolvency, *force majeure* or for regulatory reasons, and no substitute clearing system has assumed the functions of SIS (including the function as depository of the Swiss Global Security) within 90 calendar days thereafter, or (ii) at the option of the Swiss Programme Agent if the Swiss Programme Agent determines that printing Securities in definitive form is necessary or useful or required by Swiss or applicable foreign laws or regulations in connection with the enforcement of rights.

Provided such printing is permitted by the General Conditions, the Issuer has irrevocably authorised the Swiss Programme Agent to arrange for the printing of Registered Securities in definitive form, in whole or in part, in the form agreed in the Agency Agreement or, in case of Swiss Securities listed on the SIX Swiss Exchange AG (the "**SIX Swiss Exchange**"), as then required by the rules and regulations of the SIX Swiss Exchange.

If Registered Securities in definitive form are printed, the Swiss Programme Agent will (i) deliver the Registered Securities in definitive form to the relevant Holders and (ii) cancel the Swiss Global Security deposited with SIS and, in the case of printing only a portion of a Tranche of Swiss Securities, exchange such Swiss Global Security for a Swiss Global Security representing the Swiss Securities of such Tranche that are not printed. If Registered Securities in definitive form are issued, the Swiss Programme Agent will maintain a register of the Holders for which Registered Securities in definitive form have been issued ("**Swiss Register**") in accordance with U.S. Treasury Regulation 5F.103-1(c)(1). Prior to and as a condition to depositing a Swiss Global Security with a Relevant Clearing System (or issuing it to any person) other than SIS, the Issuer shall obtain an opinion of United States tax counsel competent in such matters to the effect that, having regard to the applicable governing local law (for which purpose tax counsel may rely on an opinion of competent local counsel), the related Swiss Securities will be described in section 871(h)(2)(B) or 881(c)(2)(B) of the Code. In addition, if any Swiss Global Security is deposited with a Relevant Clearing System other than SIS, such Relevant Clearing System must be an intermediary (*Verwahrungstelle*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) in Switzerland that, in the case of Swiss Securities listed on the SIX Swiss Exchange, is recognised for such purposes by the SIX Swiss Exchange.

- (vi) *Exchange of Finnish Securities and Swedish Securities:* No physical notes or certificates or physical global or definitive warrants or certificates, as applicable, will be issued in respect of Finnish Securities, or Swedish Securities provided that:
 - (A) if, in respect of any Swedish Notes, any Holder gives notice (as used in this paragraph (A) and paragraph (B), a "**Definitive Notes Request Notice**") to the Issuer that it requires its Notes to be in definitive bearer form, then all the Notes held by such Holder (as used in this paragraph (A) and paragraph (B), the "**Exchanged Notes**") shall, with effect from such date (not later than 90 days thereafter) as the Issuer shall notify the relevant Holder (as used in this

- paragraph (A) and paragraph (B), the "**Definitive Notes Exchange Date**"), be in definitive bearer form and the Exchanged Notes shall be Bearer Notes;
- (B) in respect of any Exchanged Notes, the Issuer shall on the Definitive Notes Exchange Date provide the Swedish Programme Agent with the relevant Bearer Notes in definitive form and the Swedish Programme Agent shall hold such Exchanged Notes available at its specified office for collection by the respective Holder or, as the case may be, any other person entitled to receive the Exchanged Notes in definitive bearer form, in each case pursuant to registrations made in the records of the Swedish CSD as of the fifteenth day before the Definitive Notes Exchange Date. No Bearer Security in definitive form will be delivered to any address within the United States. No transfers of Exchanged Notes within the Swedish CSD shall be permitted on or after such fifteenth day. With effect from the Definitive Notes Exchange Date, the Exchanged Notes shall become Bearer Notes and the Swedish CSD shall cease to be the Registrar in respect of such Exchanged Notes. The relevant Holder shall bear the cost of printing and delivery of any Exchanged Notes issued by JPMSP or JPMBD. The Definitive Notes Request Notice shall specify the contact details of the relevant Holder for the recovery of such costs. Exchanged Notes will be allocated a new International Securities Identification Number (ISIN). Promptly after receipt of any Definitive Notes Request Notice, the Issuer shall notify the Swedish CSD and the Relevant Programme Agent. Any Definitive Notes Request Notice to the Issuer pursuant to this paragraph shall be given by the relevant Holders by notice in writing in English to the Issuer at its registered office, marked for the attention of the General Counsel Europe, Legal and Compliance Department and shall take effect upon receipt;
- (C) if, in respect of Finnish Notes, Holders of at least 20 per cent. in aggregate principal amount of the relevant series of Finnish Notes (the "**Definitive Notes Threshold**") provide a notice (as used in this paragraph (C) and paragraph (D), a "**Definitive Notes Request Notice**") to the Issuer, all the Notes of such Series (as used in this paragraph (C) and paragraph (D), the "**Exchanged Notes**") shall, subject to applicable law and Euroclear Finland Rules, with effect from such date (not less than 90 days thereafter) as the Issuer shall notify to Holders (as used in this paragraph (C) and paragraph (D), the "**Definitive Notes Exchange Date**"), be in definitive bearer form and the Exchanged Notes shall be Bearer Notes; or
- (D) in respect of any such Finnish Notes, the Issuer shall on the Definitive Notes Exchange Date provide the Finnish Programme Agent with the relevant Bearer Notes in definitive form and the Finnish Programme Agent shall hold such Notes available at its specified office for collection by the respective Holder or, as the case may be, any other person entitled to receive the Bearer Notes in definitive form, in each case pursuant to registrations made in the records of Euroclear Finland as of the fifteenth day before the Definitive Notes Exchange Date. No Bearer Security in definitive form will be delivered to any address within the United States. No transfers of Exchanged Notes within Euroclear Finland shall be permitted on or after such fifteenth day. For these purposes, the Issuer shall have the right to request Euroclear Finland to provide a list of the registrations made in its records with respect to the Finnish Notes. With effect from the Definitive Notes Exchange Date, the Exchanged Notes shall become Bearer Notes and Euroclear Finland shall cease to be the Registrar. The Finnish Programme Agent shall continue to act as Relevant Programme Agent and Paying Agent in respect of any Finnish Notes which have become Bearer Notes as set out above. On the date of receipt of the Definitive Notes Request Notice, the Issuer shall determine whether the Definitive Notes Threshold has been reached on the basis of the aggregate principal amount of Notes held on that date by those Holders who have on or prior to that date given a Definitive Notes Request Notice. Promptly after receipt of any Definitive Notes Request Notice, the Issuer shall notify Euroclear Finland and the Relevant Programme Agent. Any Definitive Notes Request Notice to the Issuer pursuant to this paragraph

shall be given by the relevant Holders by notice in writing in English to the Issuer at its registered office, marked for the attention of the General Counsel Europe, Legal and Compliance Department and shall take effect upon receipt.

All Finnish Notes and Swedish Notes with an original maturity of more than 183 days will be subject to, and all Exchanged Notes (as defined in paragraphs (A) and (C) above) (and any Receipts, Coupons or Talons relating to such Exchanged Notes) will contain, the following legend:

THIS OBLIGATION MAY NOT BE OWNED BY A UNITED STATES PERSON. ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES.

Finnish Notes and Swedish Notes issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. with an original maturity of 183 days or less will be subject to, and all Exchanged Notes (as defined in paragraphs (A) and (C)) (and any Receipts, Coupons or Talons relating to such Exchanged Notes) will contain, the following legend:

BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).

- (vii) *Securities in definitive form*: Subject as otherwise provided in this General Condition 1.1(c), Securities in definitive form may be exchanged or transferred in whole or in part for one or more Securities in definitive form in respect of the same number of Securities. Securities in definitive form will be security printed, serially numbered and printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Agency Agreement.

1.2 Title

(a) *Title to Bearer Securities (other than French Bearer Securities and German Securities)*

Subject as provided below, title to the Bearer Securities (other than French Bearer Securities and German Securities) and any Receipts, Coupons and Talons shall pass by delivery. In the case of Bearer Securities in definitive form, "**Holder**" means, unless otherwise specified, the bearer of any Bearer Security relating to it.

(b) *Title to Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities, French Registered Securities and Swiss Securities)*

Subject as provided below, title to the Registered Securities shall pass by registration in the register (the "**Register**"). The Registrar will maintain the Register in accordance with the provisions of the Agency Agreement. In the case of Registered Securities in definitive form, "**Holder**" means, unless otherwise specified, the person in whose name a Registered Security is registered (as the case may be) or relating to it.

(c) *Title to Securities (other than German Securities and Intermediated Securities) represented by a Global Security*

For so long as any of the Notes (other than Notes which are German Securities) are represented by a Global Note, or Warrants or Certificates (other than Warrants or Certificates which are German Securities) are represented by a Global Warrant or Global Certificate, as applicable (for the purposes of this paragraph each a "**Global Security**" and together the

"**Global Securities**") held on behalf of Euroclear, Clearstream, Luxembourg or DTC, each person (other than Euroclear, Clearstream, Luxembourg or DTC) who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the Holder of a principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities (in which regard any certificate or document issued by Euroclear, Clearstream, Luxembourg or DTC as to the principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the relevant Issuer and the Agents as the Holder of such principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities for all purposes other than with respect to the payment of principal or interest (if any) on such principal amount of Notes or the coupon amount, redemption amount or settlement amount of Warrants or Certificates, for which purpose the bearer, or the common depositary or, as the case may be, its nominee in respect of the relevant Registered Security shall be treated by the relevant Issuer and any Agent as the Holder of such principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of such Securities in accordance with and subject to the terms of the Global Security.

(d) ***Title to Danish Notes***

Title to Danish Notes shall pass by registration in the VP in accordance with the VP Rules. In respect of Danish Notes, "**Holder**" means the person in whose name the Danish Notes are registered in the VP and shall include any person duly authorised to act as a nominee for the Notes.

(e) ***Title to Finnish Securities***

Title to Finnish Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Finnish Registrar in accordance with the provisions of the Agency Agreement and Euroclear Finland Rules (the "**Finnish Register**"). Title to Finnish Securities shall pass by transfer from a Holder's book-entry securities account to another book-entry securities account within the Finnish Register (except where the Finnish Securities are nominee-registered and are transferred from one sub-account to another with the same nominee). In respect of Finnish Securities, "**Holder**" means the person on whose book-entry securities account the Finnish Securities are held including a nominee account holder, as the case may be.

Each of the Issuer and the Finnish Programme Agent shall be entitled to obtain information on the Holders from the Finnish Register in accordance with the Euroclear Finland Rules.

(f) ***Title to Norwegian Securities***

Title to Norwegian Securities shall pass by registration in the register that the Issuer shall procure to be kept with the Norwegian Registrar in accordance with the provisions of the Agency Agreement and the VPS Rules (the "**VPS Register**"). The Issuer shall be entitled to obtain information from VPS in accordance with the VPS Rules. In respect of Norwegian Securities, "**Holder**" means the person in whose name a Security is registered and shall include any person duly authorised to act as nominee (*forvalter*) and registered for the Securities.

By purchasing Norwegian Notes, each Holder is deemed to consent that the VPS may provide the Norwegian Programme Agent and/or the Issuer, upon request, information registered with the VPS relating to the Securities and the Holders. Such information shall include, but not be limited to, the identity of the registered Holder of the Securities, the residency of the registered Holder of the Securities, the number of Securities registered with the relevant Holder, the address of the relevant Holder, the account operator in respect of the relevant VPS account (Kontofører utsteder) and whether or not the Securities are registered in the name of a nominee and the identity of any such nominee. The Norwegian Programme Agent and/or the Issuer will only make use of and store such information to the extent this is required or deemed appropriate to fulfil their obligations in relation to the Securities.

(g) ***Title to Swedish Securities***

Title to Swedish Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Swedish Registrar in accordance with the provisions of the Agency Agreement and the Swedish CSD Rules (the "**Swedish Register**"). In respect of Swedish Securities, "**Holder**" means the person in whose name a Security is registered and shall include any person duly authorised to act as a nominee (*förvaltare*) and registered for the Securities.

The Issuer shall be entitled to obtain information from the Swedish Register in accordance with the Swedish CSD Rules.

(h) ***Title to French Securities***

Title to French Securities will be evidenced in accordance with Article L. 211-3 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code monétaire et financier*) will be issued in respect of French Securities.

Title to French Bearer Securities and French Registered Securities in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such French Securities may only be effected through, registration of the transfer in the accounts of the Euroclear France Account Holders. Title to French Registered Securities in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such French Registered Securities may only be effected through, registration of the transfer in the accounts of the Issuer or the French Registration Agent.

In respect of French Securities, "**Holder**" means the person whose name appears in the account of the relevant Euroclear France Account Holder or the Issuer or the French Registration Agent (as the case may be) as being entitled to such French Securities.

(i) ***Title to German Securities***

In respect of German Securities, "**Holder**" means:

- (i) with respect to German Securities represented by a Bearer Global Security, any holder of a proportionate co-ownership interest or right in the Global Security; and
- (ii) with respect to Bearer Securities in definitive form, the bearer of such German Security.

German Securities (including any Receipts, Coupons and Talons relating thereto) shall be transferable in accordance with applicable law and, in case of German Securities represented by a Bearer Global Security, the terms and regulations of the Relevant Clearing System.

(j) ***Title to Swiss Securities***

In the case of Intermediated Securities, (i) the legal holders of such Swiss Securities are each person holding any such Securities in a securities account (*Effektenkonto*) that is in such person's name or, in the case of intermediaries (*Verwahrungsstellen*), each intermediary (*Verwahrungsstelle*) holding any such Securities for its own account in a securities account (*Effektenkonto*) that is in such intermediary's name (and the expressions "Holder", "Receiptholder" and "Couponholder" as used herein shall be construed accordingly), and (ii) such Securities may only be transferred by the entry of the transferred Securities in a securities account of the transferee.

Notwithstanding the above, the relevant Issuer shall make all payments due to the Holders under the Swiss Securities to the Swiss Programme Agent and, upon receipt by such Swiss Programme Agent of the due and punctual payment of such funds in Switzerland, shall be discharged from its obligations to the Holders under the Swiss Securities to the extent of the funds received by such Swiss Programme Agent as of such date.

In respect of any Swiss Securities in definitive form, title to the Swiss Securities shall pass by registration in the Swiss Register.

(k) ***Title to Rule 144A Securities***

Beneficial interests in the Global Securities for any Series of Rule 144A Securities will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its respective participants (including, in the case of Rule 144A Securities listed on the Luxembourg Stock Exchange, Euroclear and Clearstream, Luxembourg) or such other Relevant Clearing System or its nominee as may be the registered holder thereof. Rule 144A Securities which are represented by a Global Security will only be transferable in accordance with the rules and procedures of DTC or other Relevant Clearing System, as the case may be. Unless and until it is exchanged for Securities in definitive form in the circumstances described above, a Global Security may not be transferred except as a whole by and among DTC or other Relevant Clearing System, as the case may be, its nominees and any successor of DTC or other Relevant Clearing System, as the case may be, or those nominees.

Each of the persons shown in the records of DTC or any other Relevant Clearing System as the Holder of a Security represented by a Global Security must look solely to DTC or such Relevant Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the holder of the underlying securities and in relation to all other rights arising under the Global Securities, subject to and in accordance with the respective rules and procedures of DTC or such Relevant Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Securities for so long as the Securities are represented by such Global Security and such obligations of the relevant Issuer will be discharged by payment to the holder of the underlying securities in respect of each amount so paid. The relevant Issuer shall not be liable to any such persons or any other beneficial holder of an interest represented by a Global Security to the extent the relevant Issuer shall have made payment in respect of the Securities represented thereby to DTC or the Relevant Clearing System, as the case may be.

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Rule 144A Security in definitive form may be transferred in whole or in part by the Holder surrendering such Rule 144A Security in definitive form for registration of the transfer of the Rule 144A Security in definitive form (or the relevant part of the Rule 144A Security) at the specified office of the Relevant Programme Agent, with the form of transfer thereon duly executed by the Holder thereof or its attorney duly authorised in writing and upon the Relevant Programme Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the relevant Issuer and the Relevant Programme Agent may prescribe.

(l) ***Ownership***

Except as ordered by a court of competent jurisdiction, or as required by law, the Holder of any Securities, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it (or on the registered certificate) or its theft or loss (or that of the related registered note certificate) and no person shall be liable for so treating the Holder.

2. **Transfers**

2.1 **Registered Securities held in a Relevant Clearing System**

(a) ***Transfers of Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Intermediated Securities)***

Transfers of Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Intermediated Securities) which are held in a Relevant Clearing System may be effected only through the Relevant Clearing System(s) in which the Securities to be transferred are held.

(b) *Transfer of Danish Notes*

Transfers of Danish Notes are effected on entry in the VP of an account transfer from a Holder's book-entry securities account to another securities book-entry account within the VP (except where the Danish Notes are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with the VP Rules.

(c) *Transfer of Finnish Securities*

Transfers of Finnish Securities are effected upon entry in the Finnish Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account (except where the Finnish Securities are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with Euroclear Finland Rules.

(d) *Transfer of Norwegian Securities*

Transfers of Norwegian Securities are effected upon entry into the VPS Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account within the VPS (except where the Norwegian Securities are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with the VPS Rules.

(e) *Transfer of Swedish Securities*

Transfers of Swedish Securities are effected upon entry in the Swedish Register of an account transfer from a Holder's book-entry securities account to another securities book-entry account (except where the Swedish Securities are nominee-registered and are transferred from one account to another account with the same nominee) in accordance with the Swedish CSD Rules.

(f) *Transfers of Intermediated Securities*

Transfers of Intermediated Securities may only be effected by the entry of the transferred Intermediated Securities in the securities account of the transferee.

(g) *Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*

No Holder may require the transfer of a Registered Note to be registered:

- (i) in respect of Danish Notes, Norwegian Notes and Swedish Notes during a closed period pursuant to the VP Rules, the VPS Rules or Swedish CSD Rules (as applicable); or
- (ii) in respect of Finnish Notes, during a period not permitted by the then applicable Euroclear Finland Rules or when the relevant Finnish Notes are held in a blocked book-entry securities account pursuant to General Condition 5.2 (*Redemption at the Option of Holders*).

2.2 Registered Securities in definitive form**(a) *Transfer of Registered Securities in definitive form***

Transfers of Registered Securities in definitive form are effected upon (i) the surrender (at the specified office of the Registrar or any Transfer Agent) or, in the case of Registered Notes, the registered note certificate representing such Registered Notes in definitive form to be transferred or, in the case of Registered Warrants in definitive form and Registered Certificates in definitive form, the registered certificate, representing such Registered Warrants in definitive form and Registered Certificates in definitive form to be transferred (hereinafter, in respect of Registered Notes, Registered Warrants and Registered Certificates in definitive form, the "**registered certificate**"), as applicable, together with the form of

transfer (which shall be available at the specified office of the Registrar or Transfer Agent) endorsed on such registered certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require, (ii) the recording of such transfer in the Register and (iii) issuance of a new registered certificate to the transferee.

(b) ***Part Transfer of Registered Securities in definitive form***

In the case of a transfer of part only of a holding of Registered Securities in definitive form represented by one registered certificate, a new registered certificate shall be issued to the transferee in respect of the part transferred and a further new registered certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) ***Delivery of New Registered Securities in definitive form***

Each new registered certificate to be issued pursuant to this General Condition 2 (*Transfers*) shall be available for delivery within three business days of receipt of the form of transfer or Put Option Exercise Notice and surrender of the registered certificate for exchange. Delivery of the new registered certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Put Option Exercise Notice or registered certificate shall have been made or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Put Option Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new registered certificate (as applicable) to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Relevant Programme Agent the costs of such other method of delivery and/or such insurance as it may specify.

(d) ***Closed Periods in respect of Registered Notes in definitive form***

No Holder may require the transfer of a Registered Note in definitive form to be registered:

- (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note;
- (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to General Condition 5.1 (*Redemption at the Option of the Issuer*);
- (iii) after any such Note has been called for redemption; or
- (iv) during the period of seven days ending on (and including) any Record Date.

(e) ***Exchange Free of Charge***

Exchange and transfer of Securities on registration, transfer, partial redemption, settlement or exercise of an option (as applicable) shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

2.3 Compulsory Transfer or Redemption

(a) ***U.S. Persons***

- (i) *Securities other than Rule 144A Securities*: Securities (other than Rule 144A Securities) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, delivered, pledged or otherwise transferred or exercised or redeemed at any time, directly or indirectly, in the United States or to any U.S. Person. If the Issuer determines at any time that any Security (other than a Rule 144A Security) is legally or beneficially owned by any U.S. Person, the Issuer may direct the Holder to sell or

transfer its Security (other than a Rule 144A Security) to a person who is not a U.S. Person within 14 days following receipt of notice of the direction. If the Holder fails to sell or transfer such Security within such period, the Issuer may at its discretion (x) cause such Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is not a U.S. Person, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Security or (y) give notice to the Holder that the Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

In the event of a sale in accordance with paragraph (x) above, the Issuer may select an acquirer by any means determined by it in its sole discretion. The proceeds of the sale, net of any commissions, expenses and taxes due in connection with the sale shall be remitted to the selling Holder. The terms and conditions of any sale hereunder (including the sale price) shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein (and in the Agency Agreement), and the Issuer shall not be liable to any person having an interest in the Security sold as a result of any sale or the exercise of such discretion.

Furthermore, the Issuer shall not honour a transfer of beneficial interests in any Security (other than a Rule 144A Security) to any person who is a U.S. Person.

- (ii) *Rule 144A Securities:* If the Issuer determines at any time that a transfer of any Rule 144A Security or any interest in a Rule 144A Security has been effected other than to persons (I) who are (i) a QIB, (ii) in relation to Securities issued by JPMSP or JPMBD, a QP, (iii) an ECP and (iv) in relation to Securities issued by JPMSP or JPMBD either a Qualified Offshore Client or MUSIV and (II) (a) in the case of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates, who have entered into, and have remained in compliance with, the relevant Investor Letter of Representations at the time of such transfer or (b) in the case of Rule 144A Notes represented by a Global Security, who remained in compliance with the representations which holders of beneficial interests in such Global Security are deemed to have made (a "**Permitted Transferee**"), the Issuer may direct the Holder to sell or transfer its Rule 144A Security to a person who is a Permitted Transferee within 14 days following receipt of notice of the direction. If the Holder fails to sell or transfer its Rule 144A Security within such period, the Issuer may at its discretion (x) cause the Rule 144A Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is a Permitted Transferee, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Rule 144A Security or (y) give notice to the Holder that the Rule 144A Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

In the event of a sale in accordance with paragraph (x) above, the Issuer may select an acquirer by any means determined by it in its sole discretion. The proceeds of the sale, net of any commissions, expenses and taxes due in connection with the sale shall be remitted to the selling Holder. The terms and conditions of any sale hereunder (including the sale price) shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein (and in the Agency Agreement), and the Issuer shall not be liable to any person having an interest in the Rule 144A Security sold as a result of any sale or the exercise of such discretion.

Furthermore, the Issuer shall not honour a transfer of beneficial interests in any Rule 144A Security to any person who is a not Permitted Transferee.

(b) ***Indian Residents***

Securities in respect of which the Reference Asset is an equity security listed or proposed to be listed on an Indian stock exchange ("**Indian Participation Securities**") may not be legally or beneficially owned by (i) a person that is a resident of the Republic of India within the meaning of Indian exchange control laws (an "**Indian Resident**"); (ii) a person who is a "non-

resident Indian" (as such term is defined in the Foreign Exchange Management (Deposit) Regulations, 2000 (a "**Non-Resident Indian**"); (iii) a person whose controller is an Indian Resident or Non-Resident Indian at any time or (iv) a person who is not a "person regulated by an appropriate foreign regulatory authority" within the meaning of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, and notifications, circulars, rules and guidelines of the Securities and Exchange Board of India issued from time to time (collectively, the "**FII Regulations**") (an "**Unregulated Entity**"). The term "controller" means any person or group of persons (acting pursuant to any agreement or understanding (whether formal or informal, written or otherwise)) who: (a) is/are entitled to exercise, or control the exercise of a majority or more of the voting power of an entity, or (b) holds or is otherwise entitled to a majority or more of the economic interest in an entity, or (c) who in fact exercises control over an entity. The term "control" means the ability to appoint a majority or more of the directors of an entity, or the capacity to control decision-making, directly or indirectly, in relation to the financial, investment and/or operating policies of an entity in any manner. Notwithstanding the foregoing definition, in the case only where an entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such entity's controller for the purposes of this General Condition 2.3(b) by reason only of it being able to control decision-making in relation to the entity's financial, investment and/or operating policies. If the Issuer determines at any time that any Holder of an Indian Participation Security is an Indian Resident a Non-Resident Indian or an Unregulated Entity, the Issuer may direct the Holder to sell or transfer its Indian Participation Security to a person who is not an Indian Resident within 14 days following receipt of notice of the direction. If the Holder fails to sell or transfer its Indian Participation Security within such period, the Issuer may at its discretion (i) cause the Indian Participation Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is not an Indian Resident, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Indian Participation Security or (ii) give notice to the Holder that the Indian Participation Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

In the event of a sale, pledge, assignment, novation, entering into a back-to-back offshore derivative instrument or into an agreement in respect of any of the foregoing in accordance with paragraph (i) above, the Issuer may select an acquirer by any means determined by it in its sole discretion. The proceeds of the sale, net of any commissions, expenses and taxes due in connection with the sale shall be remitted to the selling Holder. The terms and conditions of any sale hereunder (including the sale price) shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein (and in the Agency Agreement), and the Issuer shall not be liable to any person having an interest in the Indian Participation Security sold as a result of any sale or the exercise of such discretion.

Furthermore, the Issuer shall not honour a transfer of beneficial interests in any Indian Participation Security to any person who is an Indian Resident, a Non-Resident Indian or an Unregulated Entity.

(c) ***ERISA Violations***

If the Issuer determines at any time that any Holder of a Security has made or been deemed to have made a representation related to the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") (as set forth in the section entitled "**Certain ERISA Considerations**" in this Base Prospectus), that is false or misleading (a "**Non-Permitted Holder**"), the Issuer may direct the Holder to sell or transfer its Security to a person who is not a Non-Permitted Holder within 14 days following receipt of notice of the direction. If the Holder fails to sell or transfer its Security within such period, the Issuer may at its discretion (i) cause the Security to be sold to an acquirer selected by the Issuer that certifies to the Issuer that such acquirer is not a Non-Permitted Holder, on terms as the Issuer may choose, subject to the transfer restrictions set out herein (and in the Agency Agreement), and, pending such transfer, no further payments will be made in respect of the Security or (ii) give notice to the Holder that the Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

In the event of a sale in accordance with paragraph (i) above, the Issuer may select an acquirer by any means determined by it in its sole discretion. The proceeds of the sale, net of any commissions, expenses and taxes due in connection with the sale shall be remitted to the selling Holder. The terms and conditions of any sale hereunder (including the sale price) shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein (and in the Agency Agreement), and the Issuer shall not be liable to any person having an interest in the Security sold as a result of any sale or the exercise of such discretion.

Furthermore, the Issuer shall not honour a transfer of beneficial interests in any Security to any person who is a Non-Permitted Holder.

3. **Guarantee and Status of the Securities**

3.1 **Guarantee**

(a) ***JPMorgan Chase Bank, N.A. Guarantee***

In accordance with, and subject to the terms of, the JPMorgan Chase Bank, N.A. Guarantee, JPMorgan Chase Bank, N.A. has absolutely and unconditionally guaranteed the due and punctual settlement in full of all obligations of JPMSP under the Securities, Receipts and Coupons issued by JPMSP under the Agency Agreement, after taking account of any set-off, combination of accounts, netting or similar arrangement from time to time exercisable by JPMSP, against any person to whom obligations are from time to time being owed, when and as due (whether at maturity, by acceleration or otherwise).

(b) ***JPMorgan Chase & Co. Guarantee***

In accordance with, and subject to the terms of, the JPMorgan Chase & Co. Guarantee, JPMorgan Chase & Co. has absolutely and unconditionally guaranteed the due and punctual settlement in full of all obligations of each of JPMBD and JPMI under the Securities, Receipts and Coupons issued by each of JPMBD and JPMI under the Agency Agreement, after taking account of any set-off, combination of accounts, netting or similar arrangement from time to time exercisable by each of JPMBD and JPMI, against any person to whom obligations are from time to time being owed, when and as due (whether at maturity, by acceleration or otherwise).

(c) ***Status of Guarantees***

Neither the JPMorgan Chase Bank, N.A. Guarantee nor the JPMorgan Chase & Co. Guarantee is a deposit insured by the U.S. Federal Deposit Insurance Corporation ("**FDIC**") or any other government authority.

The JPMorgan Chase Bank, N.A. Guarantee is an unsecured and unsubordinated obligation of JPMorgan Chase Bank, N.A., and not of JPMorgan Chase & Co. or of any of its affiliates (each a "**J.P. Morgan affiliate**"), and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase Bank, N.A., subject to a preference in favour of certain U.S. domestic deposit liabilities or any other obligations that are subject to any priorities or preferences.

The JPMorgan Chase & Co. Guarantee is an unsecured and unsubordinated obligation of JPMorgan Chase & Co., and not of JPMorgan Chase Bank, N.A. or of any J.P. Morgan affiliate and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of JPMorgan Chase & Co., subject to a preference in favour of any obligations that are subject to any priorities or preferences.

3.2 **Status of the Securities**

The Securities constitute general contractual obligations of the Issuers and are not secured by any property of the Issuers, nor are they deposits insured or guaranteed by the FDIC or any other government authority. The Securities, Receipts and Coupons are unsecured and unsubordinated obligations of the relevant Issuer, and not of any other Issuer or its affiliates, and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of the

relevant Issuer, subject to such exceptions as may be provided by any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power (including, in the case of JPMorgan Chase Bank, N.A., a preference in favour of certain U.S. domestic deposit liabilities), and any subordinated obligations (subject to priorities or preferences, as applicable).

C. PROVISIONS APPLICABLE TO NOTES ONLY

4. Interest and other Calculations under the Notes

4.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date(s) and the amount of interest payable on each Interest Payment Date shall be the Fixed Coupon Amount or, if applicable, the Broken Amount.

If interest is required to be calculated for a Fixed Rate Note for a period other than an Interest Period, such interest shall be calculated by multiplying the Rate of Interest by the Specified Denomination and multiplying the product by the Day Count Fraction, and rounding the resultant figure in accordance with General Condition 22 (*Rounding*). In all other circumstances the Day Count Fraction shall not be applicable to Fixed Rate Notes.

4.2 Interest on Floating Rate Notes

(a) *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

(b) *Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

- (i) *ISDA Determination for Floating Rate Notes*: where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent (as defined in the ISDA Definitions) under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions, and under which:

- (A) the Floating Rate Option is as specified in the relevant Final Terms;
- (B) the Designated Maturity is a period as specified in the relevant Final Terms; and
- (C) the relevant Reset Date is the first day of that Interest Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (i), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

- (ii) *Screen Rate Determination for Floating Rate Notes*: where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to

be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period in accordance with the following:

- (A) if the Primary Source for the Rate of Interest is a Page, subject as provided below, the Rate of Interest shall be:
 - (1) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or
 - (2) the arithmetic mean of the Relevant Rates of the entities whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

- (B) if the Primary Source for the Rate of Interest is Reference Banks or if sub-paragraph (A)(1) above applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (A)(2) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and
- (C) if paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of the five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (i) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (ii) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin or Maximum Rate of Interest or Minimum Rate of Interest applicable to the preceding Interest Period and to the relevant Interest Period).

4.3 **Interest on Share Linked Interest Notes, Index Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes and Other Variable Linked Interest Notes**

Each Share Linked Interest Note, Index Linked Interest Note, Commodity Linked Interest Note, FX Linked Interest Note and Other Variable Linked Interest Note bears interest from the Interest Commencement Date, such interest to be payable on each Interest Payment Date.

The Rate of Interest or the Interest Amount (as applicable) relating to the Notes will be calculated as set out in the relevant Final Terms (and in accordance with General Condition 4.8 (*Interest Calculations (Notes other than Fixed Rate Notes)*)).

4.4 **Zero Coupon Notes**

Where a Zero Coupon Note is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Payment Amount (as described in General Condition 5.5 (*Early Redemption of Zero Coupon Notes*)) of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield.

4.5 **Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

4.6 **Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of the Notes and otherwise as specified in the relevant Final Terms.

4.7 **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Rate of Interest in the manner provided in this General Condition 4 to the Relevant Date.

4.8 **Interest Calculations (Notes other than Fixed Rate Notes)**

The amount of interest that shall accrue in respect of any Note other than a Fixed Rate Note for any period shall be calculated by applying the Rate of Interest for such period to the Specified Denomination, multiplying the product by the Day Count Fraction and rounding the result in accordance with General Condition 22 (*Rounding*), unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula).

If any Margin is specified in the relevant Final Terms (either (i) generally or (ii) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (i), or the Rates of Interest for the specified Interest Periods, in the case of (ii), calculated in accordance with General Condition 4.2(b) (*Rate of Interest for Floating Rate Notes*) or the relevant Final Terms (in the case of Index Linked Interest Notes, Share Linked Interest Notes, Commodity Linked Interest Notes, FX Linked Interest Notes or Other Variable Linked Interest Notes) by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.

4.9 **Determination and publication of Rates of Interest**

As soon as practicable after any relevant time (which, in respect of an Interest Determination Date shall be the applicable Relevant Time) on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation or adjustment to the terms of the Notes with respect to the calculation of the Interest Amount or the Rate of Interest, as applicable, it shall determine such rate or amount and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Period, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and/or the Interest Amounts for each Interest Period and the relevant Interest Payment Date or any other amount specified in the relevant

Final Terms to be notified to the Relevant Programme Agent, the Issuer, each of the Paying Agents, any other Calculation Agent or Delivery Agent appointed in respect of the Notes that is to make a further calculation or delivery upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, as soon as reasonably practicable after such determination.

Where any Interest Payment Date or Interest Period is subject to adjustment in accordance with the applicable Business Day Convention, the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under General Condition 16 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this General Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made.

5. **Redemption of Notes**

5.1 **Redemption at the Option of the Issuer**

If Call Option is specified to be applicable in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice to the Holders in accordance with General Condition 26 (*Notices*) (or such other notice period as may be specified in the relevant Final Terms) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount. All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this General Condition 5.1.

(a) ***Partial Redemption of Notes in definitive form***

In the case of a partial redemption or a partial exercise of an Issuer's option with respect to any Notes in definitive form, the notice to Holders shall also contain the serial numbers or certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. So long as the Notes are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

(b) ***Partial Redemption of Notes represented by a Global Security held on behalf of Euroclear and Clearstream, Luxembourg or Clearstream Frankfurt***

In the case of a partial redemption or partial exercise of an Issuer's option, the Notes represented by a Global Security held on behalf of Euroclear and Clearstream, Luxembourg or Clearstream Frankfurt to be redeemed will be selected in accordance with the rules of Euroclear and Clearstream, Luxembourg or Clearstream Frankfurt, as the case may be, to be reflected in the records of Euroclear and Clearstream, Luxembourg or Clearstream Frankfurt, as the case may be, as either a pool factor or a reduction in nominal amount of each Note at the discretion of Euroclear and Clearstream, Luxembourg or Clearstream Frankfurt, as the case may be.

(c) Partial Redemption of French Notes

In the case of a partial redemption or a partial exercise of the Issuer's option, the redemption will be effected by reducing the nominal amount of all the French Notes of such Series in a proportion to the aggregate nominal amount redeemed.

(d) Partial Redemption of Finnish Notes

Any partial redemption of Finnish Notes shall be in accordance with Euroclear Finland Rules, and the notice to Holders shall also contain the quantity of Finnish Notes to be redeemed in respect of which such option has been exercised and shall specify the Closed Periods for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*).

(e) Partial Redemption of Norwegian Notes

Any partial redemption of Norwegian Notes shall be in accordance with the VPS Rules, and the Norwegian Notes to be redeemed shall be selected individually by lot in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements, including the VPS Rules. The notice to Holders shall specify the Norwegian Notes or the amount of Norwegian Notes to be redeemed or in respect of which such option has been exercised, and the procedures for partial redemptions laid down in the VPS Rules shall be observed. In respect of redemption of Norwegian Notes, the notice shall also specify the Closed Periods for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*).

(f) Partial Redemption of Swedish Notes

The notice to Holders in respect of a partial redemption of Swedish Notes shall specify the Notes or amounts of the Notes to be redeemed or in respect of which such option has been so exercised, and the procedures for partial redemptions laid down in the Swedish CSD Rules will be observed. The Notice shall also specify the Closed Periods for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*) and the Swedish Record Date for the purposes of General Condition 6 (*Payments, Receipts, Talons and Coupons*).

5.2 Redemption at the Option of Holders

If Put Option is specified to be applicable in the relevant Final Terms, the Issuer shall, at the option of the Holder of any such Note, upon the Holder of such Note giving not less than 15 nor more than 30 calendar days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount. In respect of Notes which are German Securities, any such notice shall be given in accordance with General Condition 26.10 (*Notices by Holders of German Securities*).

(a) Global Notes

In respect of Global Notes, to exercise such option or any other Holders' option that may be set out in the relevant Final Terms in respect of Notes other than German Securities, the Holder must give notice to any Paying Agent or the Registrar, respectively, substantially in the form of the Put Option Exercise Notice, except that the Put Option Exercise Notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Bearer Global Security to the Relevant Programme Agent or the Permanent Registered Global Security to the Registrar, as the case may be, for notation.

(b) ***Notes in definitive form***

To exercise such option or any other Holders' option that may be set out in the relevant Final Terms, the holder must deposit (in the case of Bearer Notes in definitive form) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes in definitive form) the registered note certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed Put Option Exercise Notice within the notice period. No Note or registered note certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(c) ***Finnish Notes***

In respect of Finnish Notes, the Holder must deposit a Put Option Exercise Notice with the Finnish Programme Agent and transfer the relevant Finnish Notes to the book-entry securities account designated by the Finnish Programme Agent and blocked for further transfer by the Finnish Programme Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*)).

(d) ***Norwegian Notes***

In respect of Norwegian Notes, the Holder must register in the relevant VPS account a transfer restriction in favour of the Norwegian Programme Agent and deliver to the Norwegian Programme Agent a duly completed Put Option Exercise Notice within the notice period. A Put Option Exercise Notice in respect of Norwegian Notes will not take effect against the Issuer before the date on which the relevant Norwegian Notes have been transferred to the account designated by the Norwegian Programme Agent or blocked for further transfer by the Norwegian Programme Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*)). No Norwegian Note so transferred or blocked and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(e) ***Swedish Notes***

A Put Option Exercise Notice in respect of Swedish Notes will not take effect against the Issuer before the date on which the relevant Swedish Notes have been transferred to the account designated by the Swedish Programme Agent and blocked for further transfer by the Swedish Programme Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*)). No Swedish Note so transferred or blocked and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

5.3 **Exercise of Options or Partial Redemption in respect of Registered Notes in definitive form**

In the case of an exercise of an Issuer's or Holders' option in respect of, or a partial redemption of, a holding of Registered Notes in definitive form represented by a single registered note certificate, a new registered note certificate shall be issued to the Holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes in definitive form of the same holding having different terms, separate registered note certificates shall be issued in respect of those Notes of that holding that have the same terms. New registered note certificates shall only be issued against surrender of the existing registered note certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes in definitive form to a person who is already a Holder of Registered Notes in definitive form, a new registered note certificate representing the enlarged holding shall only be issued against surrender of the registered note certificate representing the existing holding.

5.4 **Exercise of Options or Partial Redemption in respect of Norwegian Notes**

Where the exercise of an option results in Norwegian Notes of the same holding having different terms, separate Notes registered with the VPS Register shall be issued in respect of those Norwegian Notes of that holding having the same terms. Such Notes shall only be issued against surrender of the existing Norwegian Notes in accordance with the VPS Rules.

5.5 **Early Redemption of Zero Coupon Notes**

In respect of any Zero Coupon Notes which are redeemed early in accordance with the General Conditions, the Early Payment Amount shall be the Amortised Face Amount. The Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the relevant Final Terms, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually. If the Early Payment Amount payable is not paid when due in respect of any such Note upon its redemption pursuant to General Condition 5.7 (*Redemption for Taxation Reasons*) or upon it becoming due and payable as provided in General Condition 16 (*Events of Default*), the Early Payment Amount due and payable shall be the Amortised Face Amount of such Note, except that the date on which the Note becomes due and payable shall be the Relevant Date. The calculation of the Amortised Face Amount shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with General Condition 4.4 (*Zero Coupon Notes*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

5.6 **Redemption**

(a) ***Redemption by Instalments***

Unless previously redeemed or purchased and cancelled, as provided in General Condition 24 (*Purchase and Cancellation*), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amounts of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(b) ***Final Redemption***

Unless previously redeemed or purchased and cancelled in accordance with General Condition 24 (*Purchase and Cancellation*), each Note (other than a Note to which General Condition 15.1 (*Physical Delivery in respect of Securities*) applies) shall be redeemed on the Maturity Date at its Final Redemption Amount or, in the case of a Note falling within (a) above, its final Instalment Amount. Where the Final Redemption Amount is linked to the performance of a Reference Asset, the Final Redemption Amount shall be calculated by the Calculation Agent at the relevant date as specified in the Final Terms (unless otherwise previously redeemed).

(c) ***Partly Paid Notes***

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this General Condition and the provisions specified in the relevant Final Terms.

(d) ***Credit Linked Notes***

Provisions relating to the redemption of Credit Linked Notes will be set out in the relevant Final Terms.

5.7 **Redemption for Taxation Reasons**(a) ***Redemption at option of the Issuer for taxation reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or, if so specified in the relevant Final Terms, only on an Interest Payment Date on giving not less than 30 nor more than 60 calendar days' notice to the Holders (which notice shall be irrevocable), at their Early Payment Amount, if:

- (i) the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or brought in a court of competent jurisdiction on or after the Issue Date or any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and
- (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Notes then due.

(b) ***Certificate of the Issuer stating that the Issuer is entitled to effect redemption***

Before the publication of any notice of redemption pursuant to General Condition 5.7(a) (*Redemption at the option of the Issuer for taxation reasons*), the Issuer shall deliver to the Relevant Programme Agent a certificate duly signed by the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay such Additional Amounts as a result of such change or amendment.

6. **Payments, Receipts, Talons and Coupons**6.1 **Payments in respect of Bearer Notes**(a) ***Payments of principal and interest in respect of Bearer Notes in definitive form***

Payments of principal and interest in respect of Bearer Notes in definitive form shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in this General Condition) or Coupons (in the case of interest, save as specified in General Condition 6.1(d) (*Unmatured Coupons Void*)), as the case may be, at the specified office of any Relevant Programme Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Holder, by transfer to an account denominated in such currency with a Bank, subject to the provisions in General Condition 14 (*Payment Disruption*).

(b) ***Payments of principal and interest in respect of Global Bearer Notes***

Payments of principal and interest in respect of Notes represented by a Global Bearer Note shall (subject as provided below) be made in the manner specified in the relevant Global Note and in the case of German Securities to the Relevant Clearing System for credit to the accounts of the relevant account holders of the Relevant Clearing System against presentation or surrender, as the case may be, of such Global Note at the specified office of the Relevant Programme Agent outside the United States, subject to the provisions in General Condition 14 (*Payment Disruption*). The Relevant Programme Agent shall make a record of each payment made against presentation or surrender of any Global Bearer Note, distinguishing between any payment of principal and any payment of interest on the Global Bearer Note by the Paying Agent to which it was presented, and such record shall be *prima facie* evidence that the payment in question has been made.

(c) ***Payments in New York City***

In respect of any Bearer Notes in definitive form, denominated in U.S. dollars, payments may be made at the specified office of the Relevant Programme Agent in New York City in the same manner as aforesaid if (i) the relevant Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer or, for Notes issued by JPMSP and JPMBD, the relevant Guarantor. No payment of principal, premium (if any) or interest on any Bearer Note in definitive form may be made at any other office of the Relevant Programme Agent or any other Paying Agent maintained by the Issuer or the relevant Guarantor in the United States, nor may payment be made to any other address in the United States or by transfer to an account maintained in the United States.

(d) ***Unmatured Coupons Void***

Upon the due date for redemption of any Bearer Note in definitive form, all unmatured Coupons relating to such Note (whether or not still attached) shall become void and no payment shall be made in respect of them.

(e) ***Receipts***

Upon the due date for redemption of any Bearer Note in definitive form that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(f) ***Accrued Interest***

If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note in definitive form. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note.

(g) ***Exchange of Talons***

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note in definitive form, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Relevant Programme Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to General Condition 28 (*Prescription*)). Upon the due date for redemption of any Bearer Note in

definitive form, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupons shall be delivered in respect of such Talon.

(h) ***Indemnity for missing Coupon or unexchanged Talon***

Where any Bearer Note in definitive form which provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note in definitive form is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

6.2 **Payments in respect of Registered Notes**

(a) ***Payments of principal and interest in respect of Registered Global Notes***

In respect of any Registered Notes represented by a Global Note, payments of principal and interest shall be paid to the person shown on the Register at the close of business on the business day before the due date for payment or on such other day as specified in the relevant Final Terms (in respect of a Global Registered Note, the "**Record Date**"), and if no further payment falls to be made, on surrender of the Global Note to or to the order of the Registrar, subject to the provisions of General Condition 14 (*Payment Disruption*). The Relevant Programme Agent shall make a record of each payment made against presentation or surrender of any Registered Global Note, distinguishing between any payment of principal and any payment of interest on the Registered Global Note by the Paying Agent to which it was presented, and such record shall be prima facie evidence that the payment in question has been made.

(b) ***Payments of principal and interest in respect of Registered Notes in definitive form***

In respect of any Registered Notes in definitive form, payments of principal and interest (which for the purposes of this General Condition shall include final Instalment Amounts but not other Instalment Amounts), shall be made against presentation and surrender of the relevant registered note certificates at the specified office of any of the Transfer Agents or of the Registrar, subject to the provisions of General Condition 14 (*Payment Disruption*). Interest payments shall be made in accordance with General Condition 6.2(i) (*Record Date*).

(c) ***Payments in respect of Danish Notes***

Payments of principal and/or interest in respect of Danish Notes shall be made on the due date for such payment to the Holders registered as such in the VP on the Danish Record Date in accordance with the applicable VP Rules and shall in all cases be made outside the United States.

(d) ***Payments in respect of Finnish Notes***

Payments of principal and/or interest in respect of Finnish Notes shall be made to the Holders in accordance with Euroclear Finland Rules. The Record Date in respect of Finnish Notes shall be the first Euroclear Finland register day before the due date for payment (in respect of Finnish Notes, the "**Finnish Record Date**") and such payment shall in all cases be made outside the United States. In this General Condition 6.2(d), "**Euroclear Finland register day**" means a day on which the Finnish book-entry securities system is open pursuant to Euroclear Finland Rules.

(e) ***Payments in respect of Norwegian Notes***

Payments of principal and/or interest in respect of Norwegian Notes shall be made on the due date for such payment to the Holders registered as such on the tenth business day (as defined in the then applicable VPS Rules prior to the due date), or on such other business day falling closer to the due date as then may be stipulated in the VPS Rules (in respect of Norwegian Notes, the "**Norwegian Record Date**") and shall in all cases be made outside the United States.

(f) ***Payments in respect of Swedish Notes***

Payments of principal and/or interest in respect of Swedish Notes shall be made to the Holders registered as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the Swedish CSD Rules (in respect of Swedish Notes, the "**Swedish Record Date**") and will be made in accordance with the Swedish CSD Rules and shall in all cases be made outside the United States.

(g) ***Payments in respect of French Notes***

Payments of principal and interest (including, for the avoidance of doubt, any arrears of interest, where applicable) in respect of French Notes shall (in the case of Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Euroclear France Account Holders for the benefit of the Holders and (in the case of Notes in fully registered form) to an account denominated in the relevant currency with a Bank designated by the Holders and shall in all cases be made outside the United States. All payments validly made to such Euroclear France Account Holders or Bank will be an effective discharge of the Issuer in respect of such payments.

(h) ***Payments in respect of Swiss Notes***

Payments of principal and/or interest in respect of Swiss Notes shall be made to the Holders on the due date for such payment, and in the case of Swiss Notes issued by JPMBD or JPMSP shall in all cases be made outside the United States.

(i) ***Record Date***

Each payment in respect of a Registered Note in definitive form will be paid to the person shown as the Holder in the Register at the close of business on the fifteenth day before the due date for the payment thereof (in respect of such Registered Note in definitive form, the "**Record Date**"). Where payment in respect of a Registered Note in definitive form is to be made by cheque, the cheque will be mailed to the address of the Holder appearing in the Register (or to the first-named of joint holders).

6.3 **Payments subject to laws**

All payments are subject in all cases to any applicable laws, regulations and directives in the place of payment, but without prejudice to the provisions of General Condition 18 (*Taxation*). No commission or expenses shall be charged to the Holders or Couponholders in respect of such payments.

7. **Replacement of Notes, Receipts, Coupons and Talons**

If a Note (including any registered note certificate representing such Note), Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Relevant Programme Agent or such other agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Holders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued. Upon the issuance of any replacement Note, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental or issuance charge that may be imposed in connection with such replacement and any other expense (including the fees and expenses of the Relevant Programme Agent) connected therewith.

D. PROVISIONS APPLICABLE TO CERTIFICATES ONLY**8. Certificate Coupon****8.1 Coupon Payment Dates**

Each Certificate in respect of which the "Certificate Coupon Provisions" are expressed to be applicable in the relevant Final Terms will pay a coupon in respect of the notional amount per Certificate specified in the relevant Final Terms (the "**Notional Amount**") at the rate per annum (expressed as a percentage) equal to the Fixed Rate Coupon, such coupon being payable in arrear on each Coupon Payment Date. If no Coupon Payment Date(s) is/are shown in the relevant Final Terms, Coupon Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Specified Coupon Period after the preceding Coupon Payment Date or, in the case of the first Coupon Payment Date, after the Issue Date. In all cases, payments on Certificates which are in bearer form for U.S. federal income tax purposes will be made outside the United States.

8.2 Fixed Rate Coupon and/or Coupon Amount

The Fixed Rate Coupon in respect of each Coupon Period shall be determined in the manner specified in the relevant Final Terms, unless a Coupon Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount payable in respect of such Certificate for such period shall equal such Coupon Amount (or be calculated in accordance with such formula). Any amounts so calculated will be rounded in accordance with General Condition 22 (*Rounding*).

If the coupon is to be calculated by reference to a Fixed Rate Coupon, the coupon amount in respect of each Coupon Period shall be calculated by multiplying the Notional Amount by the Fixed Rate Coupon for such period, further multiplying the product by the Day Count Fraction, and rounding the result in accordance with General Condition 22 (*Rounding*).

8.3 Floating Rate Coupon**(a) Floating Rate Coupon Payment Dates**

Each Certificate in respect of which the "Certificate Floating Rate Coupon Provisions" are expressed to be applicable in the relevant Final Terms bears interest on its Notional Amount from the Floating Rate Coupon Commencement Date at the rate per annum (expressed as a percentage) equal to the Floating Rate Coupon, such interest being payable in arrear on each Floating Rate Coupon Payment Date.

(b) Floating Rate Coupon

The coupon rate in respect of each Certificate in respect of which the "Certificate Floating Rate Coupon Provisions" are specified to be applicable in the relevant Final Terms for each Floating Rate Coupon Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified to be applicable in the relevant Final Terms.

- (i) *ISDA Determination for Floating Rate Coupon*: where ISDA Determination is specified in the relevant Final Terms as the manner in which the Floating Rate Coupon is to be determined, the Floating Rate Coupon for each Floating Rate Coupon Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Final Terms) the Margin (if any). For the purposes of this sub-paragraph (i), "ISDA Rate" for a Floating Rate Coupon Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent (as defined in the ISDA Definitions) under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions, and under which:

- (A) the Floating Rate Option is as specified in the relevant Final Terms;

- (B) the Designated Maturity is a period as specified in the relevant Final Terms; and
- (C) the relevant Reset Date is the first day of that Floating Rate Coupon Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (i), "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

- (ii) *Screen Rate Determination for Floating Rate Coupon*: where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Floating Rate Coupon is to be determined, the Floating Rate Coupon for each Floating Rate Coupon Period shall be determined by the Calculation Agent at or about the Relevant Time on the Floating Rate Coupon Determination Date in respect of such Floating Rate Coupon Period in accordance with the following:

- (A) if the Primary Source for the Floating Rate Coupon is a Page, subject as provided below, the Floating Rate Coupon shall be:

- (1) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or
- (2) the arithmetic mean of the Relevant Rates of the entities whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Floating Rate Coupon Determination Date;

- (B) if the Primary Source for the Floating Rate Coupon is Reference Banks or if sub-paragraph (A)(1) above applies and no Relevant Rate appears on the Page at the Relevant Time on the Floating Rate Coupon Determination Date or if sub-paragraph (A)(2) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Floating Rate Coupon Determination Date, subject as provided below, the Floating Rate Coupon shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Floating Rate Coupon Determination Date, as determined by the Calculation Agent; and

- (C) if paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Floating Rate Coupon shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of the five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (i) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (ii) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Floating Rate Coupon shall be the Floating Rate Coupon determined on the previous Floating Rate Coupon Determination Date (after readjustment for any difference between any Margin or Maximum Rate of Floating Rate Coupon or Minimum Rate of Floating Rate Coupon applicable to the preceding Floating Rate Coupon Period and to the relevant Floating Rate Coupon Period).

(c) ***Accrual of interest on Certificates in respect of which the Certificate Floating Rate Coupon Provisions are applicable***

Interest shall cease to accrue on each Certificate in respect of which the "Certificate Floating Rate Coupon Provisions" are specified to be applicable in the relevant Final Terms on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgement) at the Floating Rate Coupon in the manner provided in this General Condition 8.3 to the Relevant Date.

(d) ***Floating Rate Coupon Calculations***

The amount of interest that shall accrue in respect of each Certificate in respect of which the "Certificate Floating Rate Coupon Provisions" are specified to be applicable in the relevant Final Terms for any period shall be calculated by applying the Floating Rate Coupon for such period to the Notional Amount, multiplying the product by the Day Count Fraction and rounding the result in accordance with General Condition 22 (*Rounding*), unless a Coupon Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Certificate for such period shall equal such Coupon Amount (or be calculated in accordance with such formula).

If any Margin is specified in the relevant Final Terms (either (i) generally or (ii) in relation to one or more Floating Rate Coupon Periods), an adjustment shall be made to all Floating Rate Coupons, in the case of (i), or the Floating Rate Coupons for the specified Floating Rate Coupon Periods, in the case of (ii), calculated in accordance with General Condition 8.3(b) (*Floating Rate Coupon*) or the relevant Final Terms by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

If any Maximum Rate of Floating Rate Coupon or Minimum Rate of Floating Rate Coupon is specified in the relevant Final Terms, then any Floating Rate Coupon shall be subject to such maximum or minimum, as the case may be.

(e) ***Determination and publication of Floating Rate Coupon***

As soon as practicable after any relevant time (which, in respect of an Floating Rate Coupon Determination Date shall be the applicable Relevant Time) on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation or adjustment to the terms of the Certificates with respect to the calculation of the Coupon Amount or the Floating Rate Coupon, as applicable, it shall determine such rate or amount and calculate the Coupon Amounts in respect of the Notional Amount of the Certificates for the relevant Floating Rate Coupon Period, obtain such quotation or make such determination or calculation, as the case may be, and cause the Floating Rate Coupon and/or the Coupon Amounts for each Floating Rate Coupon Period and the relevant Floating Rate Coupon Payment Date or any other amount specified in the relevant Final Terms to be notified to the Relevant Programme Agent, the Issuer, each of the Paying Agents, any other Calculation Agent or Delivery Agent appointed in respect of the Certificates that is to make a further calculation or delivery upon receipt of such information and, if the Certificates are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Floating Rate Coupon Period, if determined prior to such time, in the case of notification to such exchange of a Floating Rate Coupon and Coupon Amount, or (ii) in all other cases, as soon as reasonably practicable after such determination.

Where any Floating Rate Coupon Payment Date or Floating Rate Coupon Period is subject to adjustment in accordance with the applicable Business Day Convention, the Coupon Amounts and the Floating Rate Coupon Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Rate Coupon Period. If the Certificates become due and payable under General Condition 16 (*Events of Default*), the accrued interest and the

Floating Rate Coupon payable in respect of the Certificates shall nevertheless continue to be calculated as previously in accordance with this General Condition 8 but no publication of the Floating Rate Coupon or the Coupon Amount so calculated need be made.

9. **Redemption Rights in respect of Certificates**

9.1 **Redemption on the Redemption Date**

Unless previously redeemed, purchased and/or cancelled, each Certificate shall be redeemed by the Issuer on the Redemption Date at its Redemption Amount, if any. The Redemption Amount shall be calculated by the Calculation Agent in accordance with the relevant Final Terms and shall be notified to the Relevant Clearing System(s) and/or any Holders of Certificates that are in definitive form, with a copy to the Relevant Programme Agent and the Issuer by no later than 10.00 a.m. (Local Time) on the earlier of (a) one Clearing System Business Day after the Redemption Date and (b) the Settlement Date. If the relevant Final Terms confer on the Issuer an option of either Cash Settlement or Physical Settlement, its choice shall be notified to the Holders in accordance with General Condition 26 (*Notices*). In all cases, payments (including the Reference Asset Amount and the Residual Cash Amount (if any)) will be made outside the United States. Payments shall be made against presentation and surrender of the Certificates, in the case of Certificates in definitive form, or against presentation or surrender of the Global Security representing the Certificates, in the case of Certificates represented by a Global Security, in each case at the specified office of the Relevant Programme Agent.

9.2 **Redemption Procedure**

(a) **Cash Settlement**

(i) *Transfer of Redemption Amount:* The Issuer shall, for each Certificate being redeemed and which is to be settled by Cash Settlement, transfer or procure the transfer of the Redemption Amount for value on the Redemption Date in respect of such Certificate, less any Expenses which the Issuer is required by law to deduct or withhold, or is authorised to deduct:

- (A) in respect of Certificates represented by a Global Certificate (other than Certificates which are German Securities) to the Relevant Clearing System(s) for the credit of the account of the relevant Holder outside the United States;
- (B) in respect of Certificates represented by a Global Certificate which are German Securities, to the Relevant Clearing System for the credit of the account of the relevant account holder in the Relevant Clearing System;
- (C) in respect of Certificates in definitive form (other than Certificates which are Swiss Securities), by a cheque payable in the relevant currency drawn on, or, at the option of the Holder, by transfer to an account denominated in such currency with a Bank against presentation and surrender of the relevant Certificates in definitive form at the specified office of any Paying Agent outside the United States; or
- (D) in respect of Certificates in definitive form which are Swiss Securities, by transfer to an account denominated in the relevant currency drawn on with a Bank against presentation and surrender of the relevant Certificates in definitive form at the specified office of the Swiss Programme Agent,

subject in each case to the provisions of General Condition 14 (*Payment Disruption*).

(ii) *Finnish Certificates, Norwegian Certificates and Swedish Certificates:* In respect of Finnish Certificates registered as Notes with Euroclear Finland, Norwegian Certificates and Swedish Certificates, Cash Settlement will occur in accordance with Euroclear Finland Rules, the VPS Rules or the Swedish CSD Rules respectively, and payments will be effected to the Holder recorded as such on the Relevant Record Date to an

account outside the United States and subject in each case to the provisions of General Condition 14 (*Payment Disruption*).

(b) ***Physical Settlement***

- (i) *Transfer of Reference Asset Amount*: The Issuer shall, for each Certificate being redeemed and which is to be settled by Physical Settlement, transfer or procure the transfer of the Reference Asset Amount in accordance with General Condition 15 (*Physical Delivery*).
- (ii) *Finnish Certificates, Norwegian Certificates and Swedish Certificates*: In addition, in respect of Finnish Certificates registered as Notes with Euroclear Finland, Norwegian Certificates and Swedish Certificates, Physical Settlement will occur in accordance with Euroclear Finland Rules, the VPS Rules or the Swedish CSD Rules respectively, and transfers will be effected to the Holder recorded as such on the Relevant Record Date.

(c) ***Expenses***

The Issuer is authorised to deduct from the Redemption Amount (i) all Expenses, if any, payable by the Issuer or its affiliates in connection with the redemption of the Certificates, (ii) any and all Expenses in relation to any transfer of the Reference Asset Amount made as a result of such redemption, (iii) if the relevant Final Terms specify exercise rights, all Expenses arising in connection with the exercise of the Certificates in the place in which the relevant Exercise Notice is delivered for exercise, (iv) if the relevant Final Terms specify exercise rights, all Expenses involved in delivering the relevant Exercise Notice that are payable by the Issuer or its affiliates, and (v) all Expenses, if any, involved with complying with any Non-U.S. Certification that are payable by the Issuer or its affiliates.

(d) ***Record Date***

Each payment in respect of:

- (i) a Registered Certificate represented by a Global Security will be paid to the person shown as the Holder in the Register as at the close of business on the business day before the due date for the payment thereof, unless otherwise specified in the relevant Final Terms (in respect of such Registered Certificate represented by a Global Security, the "**Record Date**");
- (ii) a Registered Certificate in definitive form will be paid to the person shown as the Holder in the Register at the close of business on the fifteenth day before the due date for the payment thereof (in respect of such Registered Certificate in definitive form, the "**Record Date**"). Where payment in respect of a Registered Certificate in definitive form is to be made by cheque, the cheque will be mailed to the address of the Holder appearing in the Register (or to the first-named of joint holders); and
- (iii) a Swedish Certificate shall be made to the Holders registered as such on the fifth business day (where the Swedish Certificates have been registered by the Swedish CSD on the basis of nominal amount) or, as the case may be, on the fourth business day (where the Swedish Certificates have been registered by the Swedish CSD on the basis of the number of securities) (in each case as such business day is defined by the then applicable Swedish CSD Rules) before the due date for such payment, or, in each case, on such other business day falling closer to the due date as then may be stipulated in the Swedish CSD Rules (in respect of Swedish Certificates, the "**Swedish Record Date**") and will be made in accordance with the Swedish CSD Rules and payments will be effected to the Holder recorded as such on the Swedish Record Date to an account outside the United States and subject in each case to the provisions of General Condition 14 (*Payment Disruption*).

10. **Exercise Rights in respect of Certificates**

10.1 **Exercise Rights of Certificates**

If the relevant Final Terms specify "Exercise applicable to Certificates" to be applicable, then General Condition 11 (*Exercise of Warrants*) shall apply to the Certificates instead of General Condition 9 (*Redemption Rights in respect of Certificates*) to such Certificates and the relevant Final Terms may make such other consequential changes to these General Conditions in order to effect such exercise as may be requisite or desirable in the sole and absolute discretion of the Issuer.

10.2 **Exercise Rights in respect of Italian Certificates**

(a) ***Italian Certificates***

In respect of Italian Certificates, save as specified in the relevant Final Terms, if the Certificates are traded on the regulated markets organised and managed by Borsa Italiana S.p.A., the following provisions shall apply and any other General Condition providing otherwise with respect thereto shall not apply.

(b) ***Automatic Exercise***

The exercise of each Series of Italian Certificates is automatic on the Redemption Date, without any prior notice being delivered by the relevant Holder. Any Redemption Amount, which shall be a cash settlement amount, shall be credited, on the Settlement Date, through the Paying Agent, to the account of the relevant intermediary in the Relevant Clearing System.

(c) ***Fees and Expenses in connection with Exercise***

Neither the Relevant Programme Agent nor the Issuer shall apply any charges for the automatic exercise of the Italian Certificates. Any other taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties which may arise in connection with the automatic exercise of the Italian Certificates are payable by the Holder.

(d) ***Right to Renounce***

Each Holder has the right to renounce the exercise of the relevant Italian Certificates held by it (subject as set out below). In this case, a duly completed renouncement notice (a "**Renouncement Notice**") must be delivered by facsimile to the Relevant Programme Agent prior to 10.00 a.m. (Milan time) on the Redemption Date at the facsimile numbers set out in the form of Renouncement Notice attached to the relevant Final Terms.

(e) ***Delivery of Renouncement Notice***

The Holder must deliver the completed Renouncement Notice to the Relevant Programme Agent with a copy to the Issuer and its financial intermediary which will be in charge of sending it by facsimile to the Relevant Clearing System.

(f) ***Fees and Expenses in connection with Renouncement***

Neither the Paying Agent nor the Issuer shall apply any charge for the renouncement to the exercise of the Italian Certificates. Any other taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties which may arise in connection with the renouncement of any Italian Certificates are payable by the Holder.

(g) ***Failure to complete a Renouncement Notice***

In the event that a Holder does not execute, where applicable, a duly completed Renouncement Notice in accordance with the provisions hereof, the relevant Italian Certificate

or Italian Certificates shall be exercised automatically and shall be repaid in the manner set out herein, and the Issuer's obligations in respect of such Italian Certificates shall be discharged and no further liability in respect thereof shall attach to the Issuer.

(h) ***Number of Italian Certificates specified in Renouncement Notice***

The number of Italian Certificates specified in the Renouncement Notice must be a multiple of the Minimum Transferable Amount, otherwise such number of Italian Certificates so specified shall be rounded down to the preceding multiple of the Minimum Transferable Amount and the Renouncement Notice shall not be valid in respect of the Italian Certificates exceeding such rounded number of Italian Certificates.

(i) ***Minimum Transferable Amount***

The minimum number of Certificates specified in the Renouncement Notice must be equal to the Minimum Transferable Amount, otherwise the Renouncement Notice shall not be valid.

(j) ***Relevant Programme Agent's discretion***

The Relevant Programme Agent will, in its sole and absolute discretion, determine whether the above conditions are satisfied and its determination will be final, conclusive and binding on the Issuer and on the Holders.

The Renouncement Notice is irrevocable.

E. PROVISIONS APPLICABLE TO WARRANTS ONLY

11. Exercise of Warrants

11.1 Exercise Rights

(a) ***Exercise Style and Period***

Warrants designated in the relevant Final Terms as:

- (i) "American Style" Warrants are exercisable on any Scheduled Trading Day (or other such types of days as may be specified in the relevant Final Terms) during the applicable period specified in the relevant Final Terms;
- (ii) "European Style" Warrants are only exercisable on the Expiration Date;
- (iii) "Bermudan Style" Warrants are exercisable on any one of one or more Potential Exercise Dates and on the Expiration Date,

subject to (i) General Condition 11.3(a) (*Exercise Notice*) and (ii) prior termination of the Warrants as provided in General Condition 17 (*Termination Event and Tax Termination Event*).

If Automatic Exercise is applicable to the Warrants, then (unless the Warrants have been previously terminated in accordance with General Condition 17 (*Termination Event and Tax Termination Event*) or purchased and cancelled), the Warrants shall be deemed to be automatically exercised on the Expiration Date.

(b) ***Entitlement***

The rights attaching to each Warrant on exercise will be as set out in the relevant Final Terms.

(c) ***Failure to Exercise - European Style Warrants***

Any Warrant designated in the relevant Final Terms as "European Style" with respect to which no Exercise Notice has been delivered to the Relevant Clearing System(s) and copied to the Relevant Programme Agent or (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) to the Relevant Programme Agent only, in the

manner set out in General Condition 11.3(a) (*Exercise Notice*), at or prior to 10.00 a.m. (Local Time) on the relevant Expiration Date, shall become void unless the terms of such Warrant state that Automatic Exercise is applicable to them, in which case such Warrant shall be deemed to have been automatically exercised on the Expiration Date.

(d) ***Failure to Exercise - American or Bermudan Style Warrants***

Any Warrant designated in the relevant Final Terms as "American Style" or "Bermudan Style" with respect to which no duly completed Exercise Notice has been delivered to the Relevant Clearing System(s) and copied to the Relevant Programme Agent or (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) to the Relevant Programme Agent only, in the manner set out in General Condition 11.3(a) (*Exercise Notice*), at or prior to 10.00 a.m. (Local Time) on the relevant Expiration Date shall become void unless the terms of such Warrant state that Automatic Exercise is applicable to them, in which case such Warrant shall be deemed to have been automatically exercised on the Expiration Date.

11.2 **Automatic Exercise Warrant Notice Requirement**

In respect of Warrants which are automatically exercised, the relevant Holder shall, to the extent specified by the Issuer in a notice to the Holders given in the manner set out in General Condition 26 (*Notices*), deliver to the Relevant Clearing System(s) copied to the Relevant Programme Agent (or deliver to the Relevant Programme Agent only in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) a notice (an "**Automatic Exercise Warrant Notice**") (substantially in the form provided by the Relevant Programme Agent to the Relevant Clearing System, which shall include in the case of Warrants to be settled by Physical Settlement, the Non-U.S. Certification, or, in the case of Rule 144A Securities, the Eligible Investor Certification) within 30 days of the Expiration Date providing the information and certification specified in the Exercise Notice. Unless expressly provided otherwise, such Automatic Exercise Warrant Notice shall be deemed to be the Exercise Notice for the purposes of the General Conditions.

Where an Automatic Exercise Warrant Notice is required by the Issuer, then the Settlement Amount of the Warrants, the Exercise Amount of the Warrants or the Reference Asset Amount corresponding to the Warrants will only be paid or delivered, as the case may be, to the Holder if the Relevant Clearing System(s) and/or Relevant Programme Agent, as provided herein or in the relevant Final Terms, receives an Automatic Exercise Warrant Notice in such form as the Relevant Clearing System(s) and/or Relevant Programme Agent considers in its discretion to be satisfactory, within 30 days of the Expiration Date and if no such Automatic Exercise Warrant Notice is received in respect of those Warrants initially subject to Physical Settlement, such Warrants shall be subject to Cash Settlement in all circumstances with such reductions to the Settlement Amount for the Expenses arising as a result of such Holder's failure to have delivered such required Automatic Exercise Warrant Notice. Settlement of Warrants will be made in accordance with this General Condition 11 except that the Issuer shall, for each Warrant being exercised, transfer or procure the transfer of the Settlement Amount or the Exercise Amount on the Alternative Settlement Date, which shall occur only upon receipt and approval of such Automatic Exercise Warrant Notice, as the case may be. In all cases, payments on Warrants which are in bearer form for U.S. federal income tax purposes will be made outside the United States.

11.3 **Exercise Procedure**

(a) ***Exercise Notice***

Warrants may be exercised by delivery of a duly completed Exercise Notice to the Relevant Clearing System(s) with a copy to the Relevant Programme Agent or to the Relevant Programme Agent only (in the case of Warrants in definitive form and Warrants which are Swiss Securities or German Securities) prior to the Latest Exercise Time on any Scheduled Trading Day (in the case of "American Style" Warrants) or the Latest Exercise Time on any Potential Exercise Date (in the case of "Bermudan Style" Warrants) during the relevant Exercise Period; provided that, in respect of Warrants designated in the relevant Final Terms

as "European Style", such Exercise Notice may be delivered at any time after 10.00 a.m. (Local Time) on the Business Day immediately preceding the Expiration Date but prior to the Latest Exercise Time on the Expiration Date as provided above.

(b) ***Verification of the Holder***

Upon receipt of an Exercise Notice (if any) in respect of Warrants other than Warrants which are German Securities, the Relevant Programme Agent (or such other person designated by the then applicable VPS Rules, the Swedish CSD Rules or Euroclear Finland Rules, as applicable, to be responsible for such actions) will request the Relevant Clearing System(s) to verify that the person exercising the Warrants specified therein was, as at 10.00 a.m. (Local Time) on the relevant Exercise Date, the Holder thereof according to the books of the Relevant Clearing System(s). If the Relevant Clearing System(s) is/are unable so to verify, such Exercise Notice shall be deemed not to have been given. In the event that the Warrants are Registered Warrants in definitive form, the Registrar will verify that the person exercising the Warrants is the Holder thereof and will inform the Issuer of the details thereof, and the inability of the Registrar to so verify shall cause such Exercise Notice to be deemed not given. In respect of Warrants other than Warrants which are German Securities, the Relevant Clearing System(s) will, on or before the Settlement Date, debit the Warrants being exercised from the account of the Holder specified in the Exercise Notice (but without prejudice to the accrued rights of the relevant Holder). In respect of Finnish Warrants, Norwegian Warrants and Swedish Warrants, such verification and debiting of the relevant securities accounts shall be pursuant to the then applicable Euroclear Finland Rules, VPS Rules or Swedish CSD Rules (as applicable) and the Relevant Programme Agent shall request and/or effect the transfer by the Holder of the relevant Finnish Warrants, Norwegian Warrants, or Swedish Warrants (as the case may be) to an account blocked for further transfers until such debiting may occur.

In the case of exercised Warrants in definitive form where Issuer Physical Settlement is applicable, the relevant Reference Assets (if any) shall be delivered outside the United States to the Holder by the Delivery Agent.

(c) ***Cash Settlement - Warrants***

- (i) The Issuer shall, for each Warrant being exercised and which is to be settled by Cash Settlement, on the Settlement Date transfer or procure the transfer of the Settlement Amount, or any other cash payment due in respect of each Warrant in accordance with the relevant Final Terms, less any Expenses which the Issuer is authorised to deduct under the Exercise Notice as applicable, to the Holder's account (located outside the United States) as specified in the relevant Exercise Notice for value on the Settlement Date, provided that, if no Exercise Notice is delivered for the exercise of such Warrants and Automatic Exercise is applicable to such Warrants:
 - (A) if the Warrants are represented by a Global Warrant (other than Warrants which are German Securities), then the Issuer shall pay the Settlement Amount in respect of such Warrants, less any Expenses to the Relevant Clearing System(s) for the credit of the accounts of the relevant Holders;
 - (B) if the Warrants are German Securities represented by a Global Warrant then the Issuer shall pay the Settlement Amount in respect of such Warrants less any Expenses against presentation or surrender of the Global Warrant at the specified office of the Relevant Programme Agent, to the Relevant Clearing System, for the credit of the account of the relevant account holder with the Relevant Clearing System;
 - (C) if the Warrants are in definitive form (other than Warrants which are Swiss Securities), then the Issuer shall pay the Settlement Amount in respect of such Warrants in definitive form, less any Expenses by a cheque payable in the relevant currency drawn on, or, at the option of the Holder by transfer to an account denominated in such currency with a Bank against presentation and surrender of the relevant Warrants in definitive form at the specified office of any Paying Agent outside the United States; or

- (D) if the Warrants are in definitive form and are Swiss Securities, by transfer to an account denominated in the relevant currency drawn on with a Bank against presentation and surrender of the relevant Warrants in definitive form at the specified office of the Swiss Programme Agent,

in each case, subject to, if so required by the Issuer, the provision by such Holder of an Automatic Exercise Warrant Notice.

- (ii) *Norwegian Warrants and Swedish Warrants*: In addition, in respect of Norwegian Warrants and Swedish Warrants, Cash Settlement will occur in accordance with the VPS Rules or the Swedish CSD Rules respectively, and payments will be effected to the Holder recorded as such on the Relevant Record Date.
- (iii) *Finnish Warrants*: In respect of Finnish Warrants, Cash Settlement will occur in accordance with the Euroclear Finland Rules, and payments will be effected to the Holder recorded as such three days prior to the due date of such settlement.

(d) ***Issuer Physical Settlement***

- (i) The Issuer shall, for each Warrant being exercised and which is to be settled by Issuer Physical Settlement, on the Settlement Date (but only if the Exercise Amount (if any) and any other amounts payable by the Holder in connection with such exercise, including the additional amount (if any) in accordance with the Holder's undertakings given in the Exercise Notice, have been received by the Issuer in accordance with the relevant Final Terms and all Expenses have been paid by the Holder in accordance with General Condition 11.3(h) (*Expenses*)), deliver or procure delivery of Reference Assets as contemplated by the relevant Final Terms to the account (located outside the United States) or person specified in the relevant Exercise Notice, as applicable. For the purposes hereof, delivery of Reference Assets will be made in accordance with usual market practice for delivery of such Reference Assets.
- (ii) *Norwegian Warrants and Swedish Warrants*: In addition, in respect of Norwegian Warrants and Swedish Warrants, Physical Settlement will occur in accordance with the VPS Rules or the Swedish CSD Rules respectively, and transfers will be effected to the Holder recorded as such on the Relevant Record Date.
- (iii) *Finnish Warrants*: In addition, in respect of Finnish Warrants, Physical Settlement will occur in accordance with the Euroclear Finland Rules, and transfers will be effected to the Holder recorded as such three days prior to the due date of such settlement.

(e) ***Holder Physical Settlement***

The Issuer shall, for each Warrant being exercised and which is to be settled by Holder Physical Settlement, on the Settlement Date (but only if the Reference Assets required to be delivered by the Holder in connection with such exercise have been received by the Issuer in accordance with the relevant Final Terms) transfer or procure the transfer of the Exercise Amount, less any Expenses which the Issuer is authorised to deduct under the Exercise Notice as applicable, to the Holder's account (located outside the United States) as specified in the relevant Exercise Notice as applicable, for value on the Settlement Date. For the purposes hereof, the Issuer shall, if necessary, upon receipt of an Exercise Notice, give the Holder sufficient information to enable it to deliver the Reference Assets to the Issuer.

(f) ***Determination***

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by the Relevant Programme Agent (as applicable) in its sole and absolute discretion and shall be conclusive and binding on the Issuer, the relevant Guarantor (if any) in respect of Warrants issued by JPMSP, JPMBD and JPMI, the Registrar, the Calculation Agent and the Holder. Any Exercise Notice so determined to be incomplete or not in proper form, or which is not, in the case of a Warrant sent or otherwise copied to the Relevant Programme Agent immediately after being sent to the Relevant Clearing System(s) (in the case of Global Warrants) or to the Relevant Programme Agent (in the case of Warrants in definitive form and

Warrants which are Swiss Securities or German Securities), as applicable, shall be void. If such Exercise Notice is subsequently corrected to the satisfaction of the Relevant Programme Agent as applicable, it shall be deemed to be a new Exercise Notice submitted at the time the correction is delivered. The Relevant Programme Agent will endeavour to notify the Holder of an incomplete Exercise Notice as soon as possible after it becomes aware of the improper exercise. An Exercise Notice shall not be considered to be duly completed if it does not contain the Non-U.S. Certification or, as the case may be, the Eligible Investor Certification, in the required form.

(g) ***Effect of Exercise of Warrants***

Delivery of an Exercise Notice or, in the case of automatically exercised Warrants, the occurrence of the Exercise Date, shall constitute an irrevocable election by the relevant Holder to exercise the relevant Warrants. After delivery of such Exercise Notice or occurrence of such Exercise Date (as applicable), such exercising Holder may not otherwise transfer such Warrants. Notwithstanding this, if any Holder does so transfer or attempts so to transfer such Warrants, the Holder will be liable to the Issuer for any Expenses suffered or incurred by the Issuer or any of its affiliates through whom it has hedged its position, including those suffered or incurred as a consequence of the Issuer or any of its affiliates through whom it has hedged its position having terminated or commenced any related hedging operations in reliance on the relevant Exercise Notice or Exercise Date (as applicable) and subsequently (i) entering into replacement hedging operations in respect of such Warrants or (ii) paying any amount on the subsequent exercise of such Warrants without having entered into any replacement hedging operations.

(h) ***Expenses***

A Holder exercising a Warrant shall pay (i) all Expenses, if any, payable in connection with the exercise of the Warrant, (ii) all Expenses in relation to any transfer of the Reference Asset made as a result of such exercise, (iii) all Expenses arising on the exercise of the Warrants in the place in which the Exercise Notice is delivered, (iv) all Expenses involved in delivering the Exercise Notice and (v) all Expenses, if any, involved in complying with the Non-U.S. Certification or, as the case may be, the Eligible Investor Certification.

(i) ***Minimum Number of Warrants Exercisable***

If Warrants are designated as "American Style" or "Bermudan Style" and a Minimum Exercise Number is specified in the relevant Final Terms, then, save in respect of when the Exercise Date is the Expiration Date, the Warrants of such Series or Tranche may only be exercised in the Minimum Exercise Number or such multiples in which such Series or Tranche may be exercised in accordance with the relevant Final Terms.

(j) ***Maximum Number of Warrants Exercisable***

If Warrants are designated as "American Style" or "Bermudan Style" and a Maximum Exercise Number is specified in the relevant Final Terms, then if, following any Exercise Date other than the Expiration Date, the Issuer determines in its sole and absolute discretion that more than the Maximum Exercise Number of Warrants of a Series or Tranche were purportedly exercised on such Exercise Date by a single Holder or a group of Holders acting in concert, then the Issuer may deem the Valuation Date for the first such Quota of such Warrants thus exercised to be the originally applicable Valuation Date for Warrants exercised on such Exercise Date, and the Valuation Date for each Quota of Warrants (or part of a Quota thereof, in the case of the last amount) thus exercised to be the respective Valuation Date applicable to each succeeding date following such Exercise Date on which Warrants of the relevant Series or Tranche could have been exercised, until all such Warrants exercised on such first Exercise Date by such Holder or group of Holders have been allocated a Valuation Date through this procedure. In any case, where more than the Quota of Warrants of a Series or Tranche are so exercised on the same day by a Holder or group of Holders acting in concert, the order of settlement in respect of such Warrants shall be at the sole and absolute discretion of the Issuer. Notwithstanding the foregoing, the Issuer may, at any time, in its sole

and absolute discretion, accept more than the Quota of Warrants of a Series or Tranche for exercise on any Exercise Date.

(k) **Record Date**

Each payment in respect of:

- (i) a Registered Warrant represented by a Global Security will be paid to the person shown as the Holder in the Register as at the close of business on the business day before the due date for the payment thereof, unless otherwise specified in the relevant Final Terms (in respect of such Registered Warrant represented by a Global Security, the "**Record Date**");
- (ii) a Registered Warrant in definitive form will be paid to the person shown as the Holder in the Register at the close of business on the fifteenth day before the due date for the payment thereof (in respect of such Registered Warrant in definitive form, the "**Record Date**"). Where payment in respect of a Registered Warrant in definitive form is to be made by cheque, the cheque will be mailed to the address of the Holder appearing in the Register (or to the first-named of joint holders); and
- (iii) a Swedish Warrant shall be made to the Holders registered as such on the fourth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment, or on such other business day falling closer to the due date as then may be stipulated in the Swedish CSD Rules (in respect of Swedish Warrants, the "**Swedish Record Date**") and will be made in accordance with the Swedish CSD Rules and shall in all cases be made outside the United States.

F. PROVISIONS APPLICABLE TO WARRANTS AND CERTIFICATES

12. Early Termination of Warrants and Certificates for Tax Reasons

The Warrants or the Certificates may be terminated at the option of the Issuer in whole, but not in part, at any time on giving not less than 30 nor more than 60 calendar days' notice to the Holders (which notice shall be irrevocable), at their Early Payment Amount, if:

- (a) the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or brought in a court of competent jurisdiction on or after the Issue Date or any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and
- (b) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Warrants or Certificates then due.

Before the publication of any notice of redemption pursuant to this General Condition 12, the Issuer shall deliver to the Relevant Programme Agent a certificate duly signed by the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will (or there is a substantial likelihood that it will) become obliged to pay such Additional Amounts as a result of such change or amendment.

G. PROVISIONS APPLICABLE TO NOTES, WARRANTS AND CERTIFICATES**13. Business Day****13.1 Business Day Convention**

If any date referred to in these General Conditions or the relevant Final Terms that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent such date (if any) shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

13.2 Payments on Payment Days

If the date for payment of any amount in respect of any Security, Receipt or Coupon is not a Payment Day, the Holder shall not be entitled to payment until the next following Payment Day and shall not be entitled to any interest or other sum in respect of such postponed payment. For these purposes, "**Payment Day**" means any day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) the relevant place of presentation; and
 - (ii) each Additional Financial Centre specified in the relevant Final Terms; and
- (b) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

14. Payment Disruption**14.1 Occurrence of a Payment Disruption Event**

If the relevant Final Terms specify "Payment Disruption Event" to be applicable, then, in the event that the Calculation Agent, at any time and from time to time, determines in its sole discretion that a Payment Disruption Event has occurred or is likely to occur, then the Calculation Agent shall as soon as practicable notify the Holders of the relevant Securities of the occurrence of a Payment Disruption Event in accordance with General Condition 26 (*Notices*).

14.2 Consequences of a Payment Disruption Event

Upon the occurrence of a Payment Disruption Event:

- (a) *Extension of relevant dates*

The Interest Payment Date, the Maturity Date, the Exercise Date, the Redemption Date, the Coupon Payment Date, the Settlement Date or any other date on which the Securities may be

exercised or redeemed or any amount shall be due and payable in respect of the relevant Securities shall, subject to General Condition 14.2(d) (*Payment Event Cut-off Date*), be extended to a date falling 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Holders in accordance with General Condition 26 (*Notices*)) after the date on which the Payment Disruption Event is no longer occurring and notice thereof shall be given to the relevant Holders in accordance with General Condition 26 (*Notices*).

(b) ***Obligation to pay postponed***

The Issuer's obligation to pay the Settlement Amount, Exercise Amount, Coupon Amount, Redemption Amount or any such other amounts in respect of the relevant Securities or deliver any relevant Reference Asset, subject to General Condition 14.2(d) (*Payment Event Cut-off Date*), shall be postponed until 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Holders in accordance with General Condition 26 (*Notices*)) after the date on which the Payment Disruption Event is no longer operating. Notwithstanding the foregoing, the Issuer may, in its sole and absolute discretion, elect to satisfy in part its obligation to pay the amounts as may be due and payable under the relevant Securities by making a partial payment(s) or partial deliveries, as the case may be (the "**Partial Distributions**"). Any Partial Distribution made by the Issuer to the Holders will be calculated and/or determined by the Calculation Agent in its sole and absolute discretion and shall be paid and/or delivered to the Holders pro rata to the proportion of the Securities of the same series held by the relevant Holder. In the event that any Partial Distribution is made by the Issuer, the Calculation Agent may, in its sole and absolute discretion, make any such corresponding adjustment to any variable relevant to the settlement, redemption or payment terms of the relevant Securities as it deems necessary and shall notify the relevant Holders thereof in accordance with General Condition 26 (*Notices*).

(c) ***Payments net of expenses***

Notwithstanding any provisions to the contrary, (a) any payments or deliveries made in accordance with this General Condition 14.2 shall be made after deduction of any costs, expenses or liabilities incurred or to be incurred by the Calculation Agent or Issuer in connection with or arising from the resolution of the relevant Payment Disruption Event(s) and (b) no interest shall be paid by the Issuer in respect of any delay which may occur in the payment of any amounts due and payable under the Securities as a result of the operation of this General Condition 14.2.

(d) ***Payment Event Cut-off Date***

In the event that a Payment Disruption Event is still occurring on the Payment Event Cut-off Date, the Interest Payment Date, the Maturity Date, the Exercise Date, the Redemption Date, the Settlement Date, the Coupon Payment Date or any other date on which the relevant Reference Assets are due to be delivered or redemption amounts in relation to any of the Securities shall be due and payable (as the case may be) for the relevant Securities shall fall on the Payment Event Cut-off Date. In such circumstances, the Holder will not receive any amounts or Reference Assets. Thereafter, the Issuer shall have no obligations whatsoever under the Securities.

15. **Physical Delivery**

15.1 **Physical Delivery in respect of Securities**

If any provision in respect of the relevant Final Terms specify that "Physical Delivery" is applicable to any Securities, in order to obtain delivery of the Reference Asset Amount(s) in respect of such Security, the relevant Holder must deliver, in writing or by tested telex and not later than the close of business in each place of receipt on the relevant Physical Delivery Cut-Off Date, to (i) if the Securities are represented by a Global Security, the Relevant Clearing System, or (ii) if the Securities are in definitive form or are Swiss Securities, any Paying Agent, with a copy to each of the Issuer, the Relevant Programme Agent and the Delivery

Agent, a duly completed Reference Asset Transfer Notice, unless such Securities are German Securities.

The delivery of the Reference Asset Amount(s) shall be made (i) if practicable and in respect of Securities represented by a Global Security, to the Relevant Clearing System for the credit of the account of the Holder (or, in the case of German Securities, the relevant accountholder in the Relevant Clearing System), (ii) in the manner specified in the relevant Final Terms or (iii) in such other commercially reasonable manner as the Issuer shall determine to be appropriate for such delivery and shall notify to the Holders in accordance with General Condition 26 (*Notices*).

No delivery and/or transfer of any Reference Asset Amount(s) shall be made until all Delivery Expenses arising from the delivery and/or transfer of any Reference Asset Amount(s) have been paid to the satisfaction of the relevant Issuer by the relevant Holder.

15.2 **Reference Asset Transfer Notice**

(a) ***Verification of details in a Reference Asset Transfer Notice***

Upon receipt of a Reference Asset Transfer Notice, in the case of (i) Securities represented by a Global Security, the Relevant Clearing System, or (ii) Securities in definitive form or Swiss Securities, the Relevant Programme Agent, shall verify that the person specified therein as the Holder is the holder of the specified principal amount of Notes or, as the case may be, number of Warrants or Certificates according to its books.

(b) ***No Withdrawal of Reference Asset Transfer Notice***

No Reference Asset Transfer Notice may be withdrawn after (i) in respect of Global Securities, receipt thereof by the Relevant Clearing System, or (ii) in respect of Securities in definitive form, receipt thereof by the Relevant Programme Agent. After delivery of a Reference Asset Transfer Notice, the relevant Holder may not transfer the Securities which are the subject of such notice.

(c) ***Failure properly to complete a Reference Asset Transfer Notice***

Failure properly to complete and deliver a Reference Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these General Conditions shall be made (i) in the case of Securities represented by a Global Security, by the Relevant Clearing System, after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant Holder, and (ii) in the case of Securities in definitive form and Swiss Securities, by the Relevant Programme Agent after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant Holder. The relevant Issuer may determine, in its sole and absolute discretion, whether to waive the requirement to deliver a properly completed Reference Asset Transfer Notice prior to the Physical Delivery Cut-Off Date in order for such Holder to receive the Interest Amount, Redemption Amount or Settlement Amount, as applicable, by obtaining delivery of the Reference Asset Amount in respect of such Securities and shall give notice of such waiver to the Relevant Clearing System (if applicable), and to each of the Paying Agents, the Relevant Programme Agent, the Calculation Agent and the Delivery Agent.

(d) ***Failure to provide a Certification in a Reference Asset Transfer Notice***

If a Non-U.S. Certification or, as the case may be, an Eligible Investor Certification (in each case in the form set out in the Reference Asset Transfer Notice) is not provided by the relevant Physical Delivery Cut-Off Date, the Issuer may, instead of delivering, or having delivered on its behalf, the Reference Asset Amount, satisfy its obligations in respect of the relevant Security by payment to the relevant Holder of a cash amount, calculated by the Calculation Agent in good faith and in a commercially reasonable manner to represent the fair market value of the Reference Assets comprising such Reference Asset Amount on such day as shall be selected by the Issuer in good faith and in a commercially reasonable manner adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the

Issuer of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to any options or selling or otherwise realising any relevant Share or other instruments or assets of any type whatsoever which the Issuer and/or any of its affiliates may hold as part of such hedging arrangements).

15.3 **Delivery of Reference Asset Amount**

Subject as provided in this General Condition 15, in relation to each Security which is to be redeemed or satisfied by delivery of a Reference Asset Amount, provided, if required, that the Reference Asset Transfer Notice is duly delivered not later than the close of business in each place of receipt on the relevant Physical Delivery Cut-Off Date, the Reference Asset Amount will be delivered at the risk of the relevant Holder in the manner provided above on the Interest Payment Date, Coupon Payment Date, Settlement Date or the Maturity Date (or, if any such date is not a business day, on the next following business day), as the case may be (each such date, subject to adjustment in accordance with this General Condition 15, a "**Delivery Date**").

Subject as provided in this General Condition 15, in relation to each Security which is to be redeemed or satisfied by delivery of a Reference Asset Amount, if a Reference Asset Transfer Notice is duly delivered later than the close of business on the relevant Physical Delivery Cut-off Date in each place of receipt, then the Issuer may deliver the Reference Asset Amount as soon as practicable after the relevant Interest Payment Date, Coupon Payment Date, Settlement Date or the Maturity Date, as the case may be (in which case, such date of delivery shall be the relevant Delivery Date). In such circumstances, the Holder shall not be entitled to any payment, whether of interest or otherwise, in the event of such relevant Delivery Date falling after the originally designated relevant Delivery Date and no liability in respect thereof shall attach to the Issuer or to the Delivery Agent.

15.4 **Dividends or other distributions**

Where the Reference Asset Amount comprises Shares, any dividend or other distribution in respect of such Reference Asset Amount will be payable to the party that would receive such dividend or other distribution according to market practice for a sale of the Share executed on the Interest Payment Date, Coupon Payment Date, Settlement Date or the Maturity Date, as the case may be, and to be delivered in the same manner as the Reference Asset Amount. Any such dividend or other distribution to be paid to a Holder shall be paid to the account specified in the relevant Reference Asset Transfer Notice or, in the case of German Securities, to the Relevant Clearing System for the credit of the account of the relevant accountholder in the Relevant Clearing System.

15.5 **Residual Cash Amount**

Where the Reference Asset Amount comprises, in the sole and absolute determination of the Issuer, fractions of Reference Assets, the Holders will receive a Reference Asset Amount comprising of the nearest number (rounded down) of Reference Assets capable of being delivered by the Issuer (taking into account that a Holder's entire holding may be aggregated at the Issuer's discretion for the purpose of delivering the Reference Asset Amounts, unless otherwise specified in the relevant Final Terms), and, if specified in the relevant Final Terms, the Holders will also receive a Residual Cash Amount (if any) in respect of each Security capable of being paid by the Issuer (taking into account that a Holder's entire holding may be aggregated at the Issuer's discretion for the purpose of paying the Residual Cash Amounts, unless otherwise provided in the relevant Final Terms).

15.6 **Settlement Disruption Event**

(a) ***Postponement of Delivery Date***

If a Settlement Disruption Event prevents delivery of a Reference Asset Amount on a Delivery Date, then the Delivery Date will be the first succeeding date on which delivery of the Reference Asset Amount can take place through the Relevant Clearing System unless a Settlement Disruption Event prevents settlement on each of the eight Clearing System Business Days immediately following the original date that, but for the occurrence of the

Settlement Disruption Event, would have been the Delivery Date. In that case, (i) if such Reference Asset Amount can be delivered in any other commercially reasonable manner (in the opinion of the Calculation Agent, acting in good faith and in a commercially reasonable manner), then the Delivery Date will be the first date on which settlement of a sale of the Reference Assets comprising the Reference Asset Amount executed on that eighth Clearing System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed the Relevant Clearing System for the purposes of delivery of the relevant Reference Asset Amount), and (ii) if such Reference Asset Amount cannot be delivered in any other commercially reasonable manner (in the opinion of the Calculation Agent, acting in good faith and in a commercially reasonable manner), then the Delivery Date will be postponed until delivery can be effected through the Relevant Clearing System or in any other commercially reasonable manner.

(b) ***Application of Settlement Disruption Event in respect of Securities referencing a basket of Shares***

Where the Securities relate to a basket of Shares, if as a result of a Settlement Disruption Event some but not all of the Shares comprised in the basket of Shares are affected, the Delivery Date for Shares not affected by the Settlement Disruption Event will be the original Delivery Date and the Delivery Date for the Shares that are affected by the Settlement Disruption Event shall be determined as provided above. In the event that a Settlement Disruption Event will result in the delivery on a Delivery Date of some but not all of the Shares comprised in a basket of shares, the Calculation Agent shall determine the appropriate *pro rata* portion of the amount payable to be paid to each Holder in respect of that partial settlement.

(c) ***No liability for delayed settlement***

A Holder shall not be entitled to any payment, whether of interest or otherwise, on the Security in the event of any delay in the delivery of the Reference Asset Amount pursuant to this General Condition 15.6 and no liability in respect thereof shall attach to the Issuer or the Delivery Agent.

(d) ***Disruption Cash Settlement Price***

For so long as delivery of the Reference Asset Amount is not practicable by reason of a Settlement Disruption Event pursuant to the terms of this General Condition 15.6, then notwithstanding that Physical Delivery is specified to be applicable in the relevant Final Terms, or any other provision hereof, the Issuer may elect in its sole and absolute discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Holder of the Disruption Cash Settlement Price not later than on the third Clearing System Business Day following the date that the notice of such election is given to the Holders in accordance with General Condition 26 (*Notices*). Payment of the relevant Disruption Cash Settlement Price will be made (i) in such manner as shall be notified to the Holders in accordance with General Condition 26 (*Notices*) or (ii) in respect of Securities which are represented by a Global Security and if practicable, to the Relevant Clearing System for the credit of the account of the relevant accountholder in the Relevant Clearing System.

(e) ***Intervening Period***

If during the period of time after the Interest Payment Date, Coupon Payment Date, Settlement Date or Maturity Date, as the case may be, and the Delivery Date (the "**Intervening Period**"), the Issuer or any subsidiary or affiliate of the Issuer or any other entity acting on behalf of the Issuer is the legal owner of any securities that may comprise a part of any Reference Assets whether owned in connection with such entity's hedge of its obligations, directly or indirectly, under the Securities or otherwise held in its normal course of business, neither the Issuer nor any of its subsidiaries or affiliates or such other entities shall be under any obligation or liability to any Holder in respect of such Reference Assets, including (i) any obligation to deliver or procure delivery to the relevant Holder or any subsequent beneficial owner of such Security, any letter, certificate, notice, circular or any other document or payment (including any interest, dividend or any other distribution) in respect of any Reference Asset(s)

whatsoever received by the Issuer or any of its subsidiaries or affiliates or any such other entities in its capacity as the holder of such Reference Asset(s), (ii) any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Reference Asset(s) during the Intervening Period or (iii) any liability to the relevant Holder, as the case may be, or any subsequent beneficial owner of such Security in respect of any loss or damage which the relevant Holder, as the case may be, or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such Securities during such Intervening Period.

16. Events of Default

16.1 Occurrence of Event of Default

"Event of Default" means the occurrence of any one or more of the following events:

(a) ***Failure to pay Instalment Amount, Early Payment Amount, Final Redemption Amount, Redemption Amount or Settlement Amount***

The relevant Issuer, or failing whom, the Guarantor (if any) does not pay any Instalment Amount, Early Payment Amount, Final Redemption Amount, Redemption Amount or Settlement Amount, as applicable, in respect of the Securities when the same is due and payable or deliver any Reference Asset Amount and/or pay any Residual Cash Amount in respect of any Securities when the same is deliverable, and such failure continues for 30 days; or

(b) ***Failure to pay interest on Notes or coupon amount on Certificates***

The relevant Issuer, or failing whom, the Guarantor (if any) does not pay interest on any of the Notes or a coupon amount on any of the Certificates when the same is due and payable, and such failure continues for 30 days; or

(c) ***Insolvency of JPMSP or repudiation of JPMorgan Chase Bank, N.A. Guarantee***

In respect of Securities issued by JPMSP:

- (i) the Issuer applies for suspension of payments (*surséance van betaling*) or has been declared bankrupt (*failliet verklaard*), in both cases within the meaning of the Netherlands Bankruptcy Act (*Faillissementswet*), or has become subject to analogous proceedings under the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*); and, in each case, any such proceedings remain unstayed and in effect for a period of 90 consecutive calendar days; or
- (ii) an order is made by any competent court or an effective resolution passed for the winding-up or dissolution of JPMSP or JPMSP ceases or threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Holders (provided that, where the relevant event also comes within the terms of paragraph (i) above, then the terms of paragraph (i) above shall prevail over the terms of this paragraph (ii)); or
- (iii) the JPMorgan Chase Bank, N.A. Guarantee is not (or is claimed by JPMorgan Chase Bank, N.A. not to be) in full force and effect; or

(d) ***Insolvency of JPMBD or repudiation of JPMorgan Chase & Co. Guarantee***

In respect of Securities issued by JPMBD:

- (i) a court having jurisdiction enters a decree or order for relief in respect of JPMBD in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoints a receiver, examiner, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of JPMBD or of all or substantially all of its

property, or orders the winding-up or liquidation of its affairs, and such decree or order having remained unstayed and in effect for a period of 90 consecutive days; or

- (ii) an order is made by any competent court or an effective resolution passed for the winding-up or dissolution of JPMBD or JPMBD ceases or threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Holders (provided that, where the relevant event also comes within the terms of paragraph (i) above, then the terms of paragraph (i) above shall prevail over the terms of this paragraph (ii)); or
- (iii) the JPMorgan Chase & Co. Guarantee is not (or is claimed by JPMorgan Chase & Co. not to be) in full force and effect; or

(e) ***Insolvency of JPMI or repudiation of JPMorgan Chase & Co. Guarantee***

In respect of Securities issued by JPMI:

- (i) a court having jurisdiction enters a decree or order for relief in respect of JPMI in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of JPMI or of all or substantially all of its property, or orders the winding-up or liquidation of its affairs, and such decree or order having remained unstayed and in effect for a period of 90 consecutive days; or
- (ii) an order is made by any competent court or an effective resolution passed for the winding-up or dissolution of JPMI or JPMI ceases or threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Holders (provided that, where the relevant event also comes within the terms of paragraph (i) above, then the terms of paragraph (i) above shall prevail over the terms of this paragraph (ii)); or
- (iii) the JPMorgan Chase & Co. Guarantee is not (or is claimed by JPMorgan Chase & Co. not to be) in full force and effect; or

(f) ***Insolvency of JPMorgan Chase & Co.***

In respect of Securities issued by JP Morgan Chase & Co., JPMBD or JPMI:

- (i) a court having jurisdiction in the premises enters a decree or order for relief in respect of JPMorgan Chase & Co. in an involuntary case under any applicable United States federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, and such decree or order remains unstayed and in effect for a period of 90 consecutive days; or
- (ii) JPMorgan Chase & Co. commences a voluntary case under any applicable United States federal or state bankruptcy, insolvency or other similar law now or hereafter in effect or consent to the entry of an order for relief in an involuntary case under any such law; or

(g) ***Insolvency of JPMorgan Chase Bank, N.A.***

In respect of Securities issued by JPMorgan Chase Bank, N.A. or JPMSP:

- (i) a decree or order of a court or supervisory authority having jurisdiction in the premises for the appointment of a receiver, liquidator, trustee, assignee, custodian, sequestrator or other similar official of JPMorgan Chase Bank, N.A., or of all or substantially all of the property of JPMorgan Chase Bank, N.A., or for the winding-up or liquidation of the

affairs of JPMorgan Chase Bank, N.A., has been entered, and such decree or order remains unstayed and in effect for a period of 90 consecutive days; or

- (ii) JPMorgan Chase Bank, N.A. consents to the appointment of, or the taking possession by, a receiver, liquidator, trustee, assignee, custodian, sequestrator, or similar official of JPMorgan Chase Bank, N.A., or of all or substantially all of the property of JPMorgan Chase Bank, N.A.

16.2 Consequences of an Event of Default

If an Event of Default has occurred and is continuing, (i) the Holder of any Note may give written notice to the Issuer and the Relevant Programme Agent at their specified offices declaring such Note to be immediately repayable (or in the case of Norwegian Notes, Swedish Notes and Finnish Notes, on such later date on which the relevant Notes have been transferred to the account designated by the Relevant Programme Agent and blocked for further transfer by said Agent (such date will be the first date of a closed period for the purposes of General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*)) and (ii) the Holder of any Warrant or Certificate may by written notice to the Issuer and the Relevant Programme Agent, declare such Warrant or Certificate to be immediately repayable, in each case at the Early Payment Amount, unless the Event of Default shall have been cured by the Issuer or waived by the Holders prior to receipt of such notice by the Issuer and the Relevant Programme Agent.

17. Termination Event and Tax Termination Event

17.1 Termination Event

The Issuer may, at its option, redeem or terminate the Securities early (on giving not less than seven nor more than 30 days' irrevocable notice to the Holders (or such other notice period as may be specified in the relevant Final Terms)) in the event that it determines in good faith in its sole and absolute discretion that (i) its performance of its obligations under the terms of the Securities or (ii) (if applicable) the performance by the Guarantor under the Guarantee, has become unlawful in whole or in part as a result of (x) any change in financial, political or economic conditions or currency exchange rates, or (y) compliance in good faith by the Issuer or any relevant subsidiaries or affiliates with any applicable present or future law, rule, regulation, judgement, order or directive of any governmental, administrative or judicial authority or power or in interpretation thereof (such event, a "**Termination Event**").

In the event of an early redemption or termination of the Securities following a Termination Event, the Issuer will cause to be paid to each Holder in respect of each such Security held by it the Early Payment Amount.

17.2 Tax Termination Event

In respect of Securities issued by JPMSP or JPMBD, the relevant Issuer may, at its option, redeem or terminate some or all of the Securities (on giving not less than seven or more than 30 days' irrevocable notice to Holders (or such other notice period as may be specified in the relevant Final Terms)) in the event that the Issuer determines in good faith that it has, or there is a substantial likelihood that it will, become subject to withholding imposed on a payment made to it on account of the Issuer's inability to comply with the reporting requirements imposed by the Foreign Account Tax Compliance Provisions, provided that (1) such inability to comply with the reporting requirements is attributable to non-compliance by any Holder of such Securities (or a foreign withholding agent (if any) in the chain of custody of payments made to the Holders) with the Issuer's requests for certifications or identifying information and (2) (in the reasonable determination of the Issuer) compliance with the reporting requirements would (or there is a substantial likelihood that it would) preclude such withholding (such event, a "**Tax Termination Event**"). Upon a Tax Termination Event, Securities held by compliant Holders, in addition to those held by non-compliant Holders, may be redeemed or terminated.

In the event of an early redemption or termination of the Securities following a Tax Termination Event, the Issuer will cause to be paid to each such Holder in respect of each such Security held by it the Early Payment Amount.

18. **Taxation**

18.1 **Obligation to pay Additional Amounts**

Subject to the deduction of any Delivery Expenses with respect to physical delivery of Reference Asset Amounts in accordance with these General Conditions, payments of principal and interest on the Securities, Receipts or Coupons will be made without deduction or withholding for or on account of any present or future tax, assessment or other governmental charge, of whatever nature, imposed or levied on such payment by or within the Relevant Jurisdiction, except as required by law. In that case, unless the relevant Final Terms specify "Gross Up" not to be applicable, the Issuer or, as the case may be, the Guarantor will, subject to certain limitations and exceptions set forth below, pay to a Holder of Securities, Receipts or a Couponholder such additional amounts ("**Additional Amounts**") as may be necessary so that every net payment by the Issuer or the Guarantor or any of their Paying Agents of principal or interest with respect to the Securities, Receipts or Coupons after deduction or withholding for or on account of any such present or future tax, assessment or other governmental charge on such payment imposed by or within a Relevant Jurisdiction upon such Holder or Couponholder (other than with respect to a Holder or Couponholder that is a resident of such Relevant Jurisdiction), will not be less than the amount provided for in such Securities, Receipts or Coupons to be then due and payable.

18.2 **Circumstances in which Additional Amounts will not be paid**

Neither the Issuer nor the Guarantor will be required to make any payment of Additional Amounts for or on account of:

- (a) any tax, assessment or other governmental charge which would not have been so imposed but for (A) the existence of any present or former connection between such Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder, if such Holder is an estate, a trust, a partnership or a corporation) and the Relevant Jurisdiction including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been present therein, being or having been a citizen or resident thereof, being or having been engaged in a trade or business therein or having had a permanent establishment therein, (B) the failure of such Holder, any agent in the chain of custody over the payment, or the beneficial owner to comply with any certification, identification or information reporting requirements (i) to establish entitlement to exemption from or reduction of such tax, assessment or other governmental charge or (ii) to permit the Issuer to comply with any reporting obligations under an agreement with the relevant taxing authority, or (C) in the case of securities exchangeable into definitive securities in bearer form (including Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes) and Finnish Notes and Swedish Notes), Receipts or Coupons, payments being made in the United States or other than to an account with a bank outside the United States;
- (b) any estate, inheritance, gift, sales, transfer, personal property, or any similar tax, assessment or governmental charge;
- (c) any tax, assessment or other governmental charge which is payable other than by withholding from payments of principal of or interest on such Security, Receipt or Coupon;
- (d) in respect of any Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., any tax, assessment or other governmental charge imposed by reason of such Holder's past or present status as a personal holding company, private foundation or other tax exempt organisation, passive foreign investment company, controlled foreign corporation with respect to the United States; a dealer in securities, commodities or

currency or a corporation that accumulates earnings to avoid United States federal income tax;

- (e) in respect of any Rule 144A Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., any U.S. withholding taxes imposed on such Security;
- (f) in respect of any Security issued by JPMI, any withholding taxes imposed by the United States or a political subdivision thereof;
- (g) any tax, assessment or other governmental charge which is required to be withheld by a Paying Agent from payments of principal or of interest on any Security, Receipt or Coupon, if such payment can be made without such withholding by at least one other Paying Agent;
- (h) in respect of any Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., any tax, assessment or other governmental charge imposed by reason of (i) such Holder's past or present status as the actual or constructive owner of ten per cent. or more of the total combined voting power of all classes of stock of such Issuer that is entitled to vote, (ii) such Holder being a bank receiving interest described in Section 881(c)(3)(A) of the Code or (iii) such Holder being a controlled foreign corporation that is treated as a "related person" (within the meaning of the Code) with respect to the Issuer;
- (i) in respect of any Securities, any tax, assessment, or other governmental charge payable by a Holder, or by a third party on behalf of a Holder, who is liable for such taxes, assessments or governmental charges in respect of any Security, Receipt or Coupon by reason of the Holder or the third party's having some connection with the Relevant Jurisdiction other than the mere holding of the Security, Receipt or Coupon;
- (j) any tax assessment, or other governmental charge payable by way of withholding or deduction by a Holder, or by a third party on behalf of a Holder, who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Security (or the registered certificate representing it), Receipt or Coupon is presented for payment;
- (k) the presentation (where presentation is required) of a Security, Receipt or Coupon for payment on a date more than ten days after the Relevant Date or the date on which such payment is fully provided for, whichever occurs later;
- (l) where such withholding or deduction is imposed on a payment to an individual or other entity and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (m) any Security, Receipt or Coupon presented for payment by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Security, Coupon or Receipt to another Paying Agent in a European Union Member State;
- (n) in the case of German Securities, any taxes, duties, or other governmental charges payable by any person acting as a custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer or the Guarantor (if any) from payments of principal or interest made by it;
- (o) any withholding or deduction imposed as a result of a Holder's failure, or the failure of any agent having custody or control over a payment, to establish its exemption from such withholding or deduction by complying with any requirements to report on its

owners or holders of interests, or to enter into an agreement with a taxing authority to provide such information; or

- (p) any combination of the above (as applicable),

nor shall Additional Amounts be paid with respect to a payment of principal or interest on any Security, Receipt or Coupon to a Holder that is not the beneficial owner of such Security, Receipt or Coupon to the extent that the beneficial owner thereof would not have been entitled to the payment of such Additional Amounts had such beneficial owner been the Holder of such Security, Receipt or Coupon.

19. Agents

19.1 Status of Agents

The Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligations or duty to, or relationship of agency or trust for or with, any Holder, Couponholder or Receiptholder.

19.2 Variation or termination of appointment of Agents

The Issuer and the Guarantor, if applicable, reserve the right at any time to vary or terminate the appointment of any Agents and to appoint other or additional Agents, provided that at all times the following shall be maintained:

- (a) a Relevant Programme Agent;
- (b) a Registrar in respect of all Registered Securities;
- (c) a Transfer Agent in respect of all Registered Securities (other than French Registered Securities, Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities and Swiss Securities);
- (d) one or more Calculation Agent(s) and Delivery Agent(s) where these General Conditions so require;
- (e) a Paying Agent having its specified office in Luxembourg so long as the Securities are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange, and the applicable rules so require;
- (f) a Danish Programme Agent, so long as any Danish Notes are outstanding, a Finnish Programme Agent, so long as any Finnish Securities are outstanding, a Swedish Programme Agent and a Swedish CSD, so long as any Swedish Securities are outstanding and a Norwegian Programme Agent, so long as any Norwegian Securities are outstanding;
- (g) a French Programme Agent so long as French Securities are (A) cleared through Euroclear France or (B) admitted to listing on a Regulated Market of Euronext Paris S.A., and the applicable rules so require;
- (h) a German Programme Agent so long as any Securities cleared through Clearstream Frankfurt are outstanding;
- (i) a Swiss Programme Agent which is a Swiss bank or a Swiss securities dealer supervised by the Swiss Financial Market Supervisory Authority (FINMA), so long as any Swiss Securities listed on SIX Swiss Exchange are outstanding;
- (j) such other agents as may be required by any relevant authorities or any other stock exchange on which any Securities may be listed, and the applicable rules of such relevant authority or such other stock exchange so require;
- (k) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive

2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; and

- (l) a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in General Condition 6.1(c) (*Payments in New York City*), as may be appointed by the Issuers and, in respect of Notes issued by JPMSP or JPMBD, by the relevant Guarantor, as the case may be.

The Agency Agreement contains provisions permitting any entity into which an Agent is merged or converted or with which it is consolidated as to which it transfers all or substantially all of its assets to become the successor agent.

Notice of any such change or any change of any specified office shall promptly be given to the Holders of the affected Securities in accordance with General Condition 26 (*Notices*).

20. Calculation Agent, Determination, Disclaimer of Liability and other terms

20.1 Status of Calculation Agent

The Calculation Agent acts solely as agent of the Issuer and the Guarantor and does not assume any obligations or duty to, or relationship of agency or trust for or with, any Holder or Couponholder or Receiptholder. In making any determination or exercising any discretion, the Calculation Agent is not obliged to consider the interests of any Holder, Couponholder or Receiptholder.

20.2 Standard of care

Any matter that falls to be determined, considered or otherwise decided upon by the Calculation Agent or any other person (including, where a matter is to be decided by reference to the Calculation Agent's or such other person's opinion), shall be decided upon by the Calculation Agent or such other person as the case may be in good faith and in a commercially reasonable manner (unless otherwise explicitly provided), taking into account any market factors and other factors as the Calculation Agent or such other person deems relevant including, without limitation, the cost of unwinding any hedge or related underlying position of the Issuer or its affiliates in respect of its obligations under the Securities.

20.3 Disclaimer of liability

No liability shall attach to the Calculation Agent or to any of the Holders, the Couponholders, the Receiptholders, the Issuer, the Guarantor or the other Agents for good faith errors or omissions in the Calculation Agent's calculations and determinations as provided in the Conditions of the Securities, whether caused by negligence or otherwise, and no liability shall attach to any of the Issuer or the Guarantor or any of the other Agents for any calculation or determination made by the Calculation Agent in respect of the Securities.

20.4 Delegation

The calculation functions and other discretionary actions (including, but not limited to duties to make determinations) required of the Calculation Agent may be delegated to any such person as the Calculation Agent, in its sole and absolute discretion, may decide.

20.5 Calculations and determinations all binding

All calculations and determinations made by the Calculation Agent in respect of the Securities shall be final and binding on the Issuer and Holders, Couponholders and Receiptholders in the absence of manifest error.

20.6 Two or more Calculation Agents

Where more than one Calculation Agent is appointed in respect of the Securities, references in these General Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions of the Securities.

20.7 Replacement of Calculation Agent

If the Calculation Agent is unable to act as such or if the Calculation Agent fails duly to establish any rate or any amount, whether in cash or in kind, specified in the relevant Final Terms, to make any other required determination or to comply with any of its other obligations, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place provided that if an Event of Default specified in General Condition 16.1(c), (d), (e) or (f) (as applicable) has occurred with respect to the Issuer, the Holders may appoint such a replacement in accordance with General Condition 23.1(c)(i) (*Majority Consent*) in respect of Securities other than German Securities, and General Condition 23.1(e) (*Modification of German Securities with Holder consent*) in respect of German Securities.

21. European Monetary Union

21.1 Redenomination of Notes

Where redenomination is specified to be applicable in the relevant Final Terms, the Issuer may, without the consent of the Holders, the Receiptholders and the Couponholders on giving prior notice to the Relevant Programme Agent, any Relevant Clearing System and at least 30 days' prior notice to the Holders in accordance with General Condition 26 (*Notices*), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the Notes, Receipts and Coupons shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Relevant Programme Agent, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Holders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d), the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant Holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if Notes in definitive form are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer (i) in the case of Relevant Notes, in the denomination of euro 50,000 and/or such higher amounts as the Relevant Programme Agent may determine and notify to the Holders and any remaining amounts less than euro 50,000 shall be redeemed by the Issuer and paid to the Holders in euro in accordance with General Condition 6 (*Payments, Receipts, Talons and Coupons*) and (ii) in the case of Notes which are not Relevant Notes, in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Relevant Programme Agent

may approve) euro 0.01 and such other denominations as the Relevant Programme Agent shall determine and notify to the Holders;

- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Relevant Programme Agent may specify and as shall be notified to the Holders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:
 - (i) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and
 - (ii) in the case of Notes in definitive form, by applying the Rate of Interest to the Specified Denomination,
 and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;
- (g) if the Notes are Notes other than Floating Rate Notes, the relevant Final Terms will specify any relevant changes to the provisions relating to interest; and
- (h) such other changes shall be made to this General Condition 21.1 as the Issuer may decide, after consultation with the Relevant Programme Agent, and as may be specified in the notice, to conform it to conventions applicable to instruments denominated in euro.

21.2 **Adjustments to Warrants or Certificates for European Monetary Union**

The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with General Condition 26 (*Notices*):

- (a) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Warrants or, as the case may be, the Certificates shall be redenominated in euro.
- The election will have effect as follows:
- (i) where the Specified Currency of the Warrants or, as the case may be, Certificates is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Specified Currency shall be deemed to be an amount of euro converted from the original

Specified Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Calculation Agent may decide and as may be specified in the notice, and after the Adjustment Date, all payments of the Settlement Amount in respect of the Warrants or the Redemption Amount in respect of Certificates, as the case may be, will be made solely in euro as though references in the Warrants or Certificates, as the case may be, to the Specified Currency were to euro; and

- (ii) such other changes shall be made to these General Conditions as the Issuer may decide, in its sole and absolute discretion to conform them to conventions then applicable to instruments expressed in euro; and/or
- (b) require that the Calculation Agent make such adjustments to the exercise, settlement, payment and/or any other terms of these General Conditions as the Calculation Agent, in its sole discretion, may determine to be appropriate to preserve the economic terms of the Warrants or, as the case may be, Certificates following implementation of the third stage of European Economic and Monetary Union.

Notwithstanding the foregoing, neither the Issuer, any of its affiliates or agents, the Calculation Agent nor any Relevant Programme Agent shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

22. **Rounding**

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified in any applicable Specific Product Provision or the relevant Final Terms):

- (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (b) (subject to (c) below) all figures shall be rounded to seven significant figures (with halves being rounded up); and
- (c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency and in the case of euro means euro 0.01.

23. **Meeting of Holders and Modifications**

23.1 **Modifications and Waivers**

- (a) ***Modification without Holder consent (Securities other than French Securities and German Securities)***

The Issuer may from time to time (with the agreement of the Relevant Programme Agent in relation to the relevant Securities) modify and amend the Securities (other than French Securities and German Securities) (including the Conditions) or the Agency Agreement in each case without the consent of the Holders or Couponholders or Receiptholders in accordance with, respectively, this General Condition 23.1(a) or the Agency Agreement, in such manner as the Issuer deems necessary or desirable, if the modification or amendment:

- (i) is of a formal, minor or technical nature; or
- (ii) is made to cure a manifest or proven error; or
- (iii) is made to cure any ambiguity; or is made to correct or supplement any defective provisions of the Securities or the Agency Agreement (as applicable); or

- (iv) is made to correct an error or omission such that, in the absence of such correction, the terms of the Securities would not otherwise represent the intended terms of the Securities on which the Securities were sold and have since traded; or
- (v) will not materially and adversely affect the interests of the Holders of the Securities or (if applicable) any Couponholders or Receiptholders in respect of the Securities.

Any such modification or amendment shall take effect in accordance with its terms (as agreed between the Issuer and the Relevant Programme Agent) and be binding on the Holders and (if applicable), the Couponholders and Receiptholders, and shall be notified to the Holders in accordance with General Condition 26 (*Notices*) as soon as practicable (but failure to give such notice, or non-receipt thereof, shall not affect the validity of such modification or amendment).

(b) ***Modification of German Securities without Holder consent***

- (i) The Issuer may, without the consent of the Holders, Couponholders or Receiptholders, correct any manifest clerical or calculation errors or similar manifest incorrectness in the Consolidated Conditions (in particular in the Special Conditions). A clerical or calculation error or similar incorrectness shall be deemed manifest if a Holder, Couponholder or Receiptholder who is well-informed in the relevant type of Securities is able to perceive such error, especially when taking into account the Issue Price and the further factors that determine the value of the Securities. Any corrections within the meaning of this paragraph (i) shall be effective and binding upon notification to the Holders, Couponholders or Receiptholders in accordance with General Condition 26 (*Notices*).
- (ii) In addition, the Issuer may, without the consent of the Holders, Couponholders or Receiptholders, amend or supplement at its reasonable discretion (*billiges Ermessen*, Section 315 of the German Civil Code ("**BGB**")) any contradictory or incomplete provisions of the Consolidated Conditions (in particular of the Special Conditions), provided that only amendments and supplements which are reasonably acceptable to the Holder, Couponholder or Receiptholder having regard to its interests shall be permitted, i.e. those which do not materially prejudice the interests of the Holders, Couponholders or Receiptholders or which, when read together with the other information included in the Base Prospectus dated 14 May 2010 and the relevant Final Terms, are manifest within the meaning of paragraph (i). Any corrections within the meaning of this paragraph (ii) shall be effective and binding upon notification to the Holders, Couponholders or Receiptholders in accordance with General Condition 26 (*Notices*).
- (iii) In the event of a correction pursuant to paragraph (i) or an amendment or supplement pursuant to paragraph (ii), that adversely affects the Holder, Couponholder or Receiptholder, such Holder, Couponholder or Receiptholder may terminate its Securities with immediate effect by written termination notice to the Relevant Programme Agent at any time during the period of six weeks following notification of such correction, amendment or supplement. In the notice pursuant to paragraph (i) or paragraph (ii), as applicable, the Issuer shall advise the Holder, Couponholder or Receiptholder of its potential termination right at the Early Payment Amount. The termination by the Holder, Couponholder or Receiptholder requires the following to be effective: the receipt of a termination notice bearing a legally binding signature and (A) the transfer of the Securities to the account of the Relevant Programme Agent or (B) the irrevocable instruction to the Relevant Programme Agent to withdraw the Securities from a securities account maintained with the Relevant Programme Agent (by transfer posting or assignment), in each case within such six-week period. The termination notice must contain the following information: (A) the name of the Holder, Couponholder or Receiptholder, as applicable, (B) the designation and number of the Securities terminated, and (C) a specification of the bank account to which the Early Payment Amount shall be credited. The termination date for the purposes of this paragraph (iii) shall be the day on which the termination notice or the Securities is/are received by the Relevant Programme Agent, whichever occurs later.

- (iv) Notwithstanding paragraphs (i) and (ii), the Issuer may call the Securities for redemption in whole, but not in part, by giving notice in accordance with General Condition 26 (*Notices*) if the conditions for avoidance pursuant to Section 119 et seq. BGB are fulfilled in relation to the Holders, Couponholders or Receiptholders. The termination date for the purposes of this paragraph (iv) shall be the day on which the notice is given. Notice of termination must be given immediately after the Issuer has gained knowledge of the reason for termination.
- (v) If an effective termination pursuant to paragraphs (iii) or (iv) has been made, the Issuer will pay the Early Payment Amount per Security to the Holders, Couponholders or Receiptholders. The Issuer shall transfer the Early Payment Amount to the Relevant Clearing System for the credit of the account of the relevant holder in the Relevant Clearing System or, in case of termination by the Holder, Couponholder or Receiptholder, to the account specified in the termination notice. The provisions of General Condition 13.2 (*Payments on Payment Days*) shall apply mutatis mutandis. Upon payment of the Early Payment Amount, all rights arising from the surrendered Securities shall be extinguished. The foregoing shall not affect any rights of the Holder, Couponholder or Receiptholder to claim damages (*Ersatz eines Vertrauensschadens*) pursuant to Section 122 para. 1 BGB unless such claims are excluded due to knowledge or negligent lack of knowledge of the reason of termination on the part of the Holder, Couponholder or Receiptholder pursuant to Section 122 para. 2 BGB.
- (vi) The provisions of the BGB on the interpretation (*Auslegung*) and avoidance (*Anfechtung*) of declarations of intent shall remain unaffected. This General Condition 23.1(b) shall be without prejudice to any avoidance rights which a Holder, Couponholder or Receiptholder may have under general provisions of law.
- (c) ***Modification and waiver with Holder consent (Securities other than French Securities and German Securities)***

This General Condition 23.1(c) shall not apply to French Securities and German Securities.

- (i) *Majority Consent*: Subject as provided in paragraph (ii) below (and in each case subject to the consent of the Issuer and the Guarantor (if any)), in order to modify and amend the Agency Agreement and the Securities (including the General Conditions), or to waive past Issuer defaults, a resolution in writing signed by the Holders of at least a majority in aggregate principal amount of the Securities at the time outstanding (in the case of Notes) or Holders of a majority in number (in the case of Warrants and Certificates), or of such lesser percentage as may attend and vote at a meeting of Holders of the Securities held in accordance with the Agency Agreement shall be required.
- (ii) *Consent by Extraordinary Resolution*: Any modification which will:
 - (A) extend the stated maturity of the principal of or any instalment of interest on any such Security or extend the date for expiration, settlement or payment of any coupon in relation to such Security;
 - (B) reduce the principal amount, redemption price of, or settlement price of, or interest on (as applicable), any such Security;
 - (C) change the obligation of the Issuer to pay Additional Amounts;
 - (D) change the currency of payment of such Security or interest thereon;
 - (E) impair the right to institute suit for the enforcement of any such payment on or with respect to any such Security;
 - (F) reduce the percentage in aggregate principal amount of Securities outstanding necessary to modify or amend the Agency Agreement, or to waive any past default; or

- (G) reduce the voting or quorum requirements or the percentage of aggregate principal amount, redemption price or settlement price of Securities outstanding (in the case of Notes) or number held (in the case of Warrants or Certificates) required to take any other action authorised to be taken by the Holders of a specified principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of Securities,

may only be made if sanctioned by an Extraordinary Resolution. A resolution in writing signed or electronically approved using the systems and procedures in place from time to time of a Relevant Clearing System by or on behalf of 75 per cent. or more of Holders of Securities, by reference to their original aggregate principal amount (in the case of Notes) or the number of Securities outstanding (in the case of Warrants and Certificates), who for the time being are entitled to receive notice of a meeting shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of the Holders of the Securities. Such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Holders of Securities or may be in the form of SWIFT or other electronic instructions as permitted by the rules and procedures of the Relevant Clearing System, and in each case the date of such resolution shall be the date that such 75 per cent. majority is reached.

(d) ***Modification of French Securities***

The Issuer may from time to time amend the Conditions of any French Notes in accordance with General Condition 23.3 (*Meetings of Holders of French Notes (Masse)*) and of French Securities other than French Notes in accordance with General Condition 23.4 (*Meeting of Holders of French Securities (other than French Notes)*).

(e) ***Modification of German Securities with Holder consent***

- (i) In accordance with the German Bond Act of 2009 (*Schuldverschreibungsgesetz – "SchVG"*) and the provisions set out in the Appendix (*Provisions regarding Resolutions of Holders of German Securities*) to the General Conditions, the Holders may agree, by resolution with the majority specified in paragraph (ii), with the Issuer on amendments of the Consolidated Conditions with regard to matters permitted by the SchVG. Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders shall be void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.
- (ii) Resolutions relating to material amendments to the Consolidated Conditions, in particular consents to the measures set out in Section 5 paragraph 3, no. 1 to 9 of the SchVG, shall be passed by a majority of not less than 75 per cent. of the votes cast. Resolutions relating to amendments of the Consolidated Conditions which are not material, require a simple majority of the votes cast. Each Holder participating in any vote shall cast votes in accordance with the nominal amount or the notional share of its entitlement to the outstanding Securities.
- (iii) All votes will be taken exclusively by vote taken without a meeting (*Abstimmung ohne Versammlung*) in accordance with Section 18 of the SchVG. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of Section 18 paragraph 4 sentence 2 of the SchVG.
- (iv) The vote will be chaired by a notary appointed by the Issuer or, if the Joint Representative (as defined below) has convened the vote, by the Joint Representative.
- (v) If no Joint Representative is designated in the Consolidated Conditions, the Holders may by majority resolution appoint a common representative (the "**Joint Representative**") to exercise the rights of the Holders on behalf of each Holder.

In all other cases, the common representative of the Holders shall be the Joint Representative appointed as such in the Consolidated Conditions. The liability of the Joint Representative shall be limited to ten times the amount of its annual

remuneration, unless the Joint Representative has acted wilfully or with gross negligence.

The Joint Representative shall have the duties and powers conveyed by law or granted by majority resolution of the Holders. The Joint Representative shall comply with the instructions of the Holders. To the extent that the Joint Representative has been authorised to assert rights of Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Joint Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the removal and the other rights and obligations of the Joint Representative.

- (vi) In the case of Securities issued by JPMSP or JPMBD, the provisions set out above applicable to the Securities shall apply *mutatis mutandis* to the Guarantee of JPMorgan Chase Bank, N. A. or JPMorgan Chase & Co., respectively.

23.2 Meetings of Holders (other than Holders of French Securities and German Securities)

The Agency Agreement contains provisions for convening meetings of Holders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these General Conditions or any provisions of the Agency Agreement, as applicable. Such a meeting may be convened by the Issuer (either at its own instigation or on the request of Holders holding at least ten per cent. in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of Securities outstanding). At a meeting of the Holders of the Securities for the purpose of approving a modification or amendment to, or obtaining a waiver of, any covenant, Condition, Specific Product Provision or the Agency Agreement, the Holders of a clear majority in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) at the time outstanding shall constitute a quorum. In the absence of a quorum at any such meeting, within 30 minutes of the time appointed for such meeting, the meeting may be adjourned for a period of not less than ten days; in the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than ten days; at the reconvening of any meeting further adjourned for lack of a quorum, the persons entitled to 25 per cent. in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of the Securities at the time outstanding shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. At a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid, any resolution to modify or amend the Conditions or any provisions of the Agency Agreement (other than those items specified in General Condition 23.1(c)(ii)(A) to 23.1(c)(ii)(G), or to waive compliance with, any of the Conditions shall be effectively passed if passed by the persons entitled to the lesser of (i) a clear majority in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of the Securities then outstanding or (ii) 75 per cent. in aggregate principal amount (in the case of Notes) or number held (in the case of Warrants or Certificates) of the Securities represented and voting at the meeting.

23.3 Meetings of Holders of French Notes (Masse)

Except as otherwise provided by the relevant Final Terms, Holders of French Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a masse (in each case, the "**Masse**").

The Masse will be governed by those provisions of the French *Code de commerce* (with the exception of the provisions of Articles L.228-48, L.228-59, R.228-63, R.228-67, and R.228-69 thereof) as summarised and supplemented by the conditions set forth below.

(a) **Legal Personality**

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through a general meeting of the Holders (the "**General Meeting**").

The Masse alone, to the exclusion of all individual Holders, shall exercise the common rights actions and benefits which now or in the future may accrue respectively with respect to the French Notes.

(b) ***Representative***

The office of Representative may be conferred on a person of any nationality who agrees to perform such a function.

However, the following persons may not be chosen as Representatives:

- (i) the Issuer, the members of its Board of Directors (*Conseil d'administration*), their Supervisory Board (*Conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, its employees as well as its ascendants, descendants and spouse; or
- (ii) the Guarantor, and more generally companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Executive Board (*Directoire*), or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- (iii) companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Relevant Programme Agents.

(c) ***Powers of Representative***

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interest of the Holders.

All legal proceedings against the Holders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) ***General Meeting***

As further set out in General Condition 23.3(b)(i), a General Meeting may be held at any time, on convocation by, in particular, the Issuer or the Representative. One or more Holders of French Notes, holding together at least one-thirtieth of the principal amount of the French

Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under General Condition 26.5 (*Notices to Holders of French Securities*).

Each Holder of French Notes has the right to participate in a General Meeting in person, by proxy, correspondence, or, if the articles of incorporation of the Issuer so specify, videoconference or any other means of telecommunication allowing the identification of the participating Holders of French Notes. Each French Note carries the right to one vote, in the case of French Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such French Note.

(e) ***Powers of the General Meetings***

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the French Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by Holders of French Notes, nor establish any unequal treatment between the Holders of French Notes, nor decide to convert French Notes into shares.

General Meetings may deliberate validly on first convocation only if Holders of French Notes present or represented hold at least a fifth of the principal amount of the French Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Holders of French Notes attending such General Meetings or represented thereat.

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Holder of French Notes to participate in General Meetings will be evidenced by the entries in the books of the relevant Euroclear France Account Holder of the name of such Holders of French Notes on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time.

Decisions of General Meetings must be published in accordance with the provisions set forth in General Condition 26 (*Notices*).

(f) ***Information to Holders***

Each Holder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Holders at the registered office of the Issuer, at the specified offices of any of the Relevant Programme Agent during usual business hours and at any other place specified in the notice of the General Meeting.

(g) ***Expenses***

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the French Notes.

(h) ***Single Masse***

The Holders of French Notes of the same Series, and the Holders of French Notes of any other Tranche which have been consolidated (*assimilées*) with the French Notes of another Series in accordance with General Condition 25 (*Further Issues*), shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche of any Series of French Notes will be the Representative of the single Masse of all such Series.

(i) ***Convening of the General Meeting***

The General Meeting shall be convened in accordance with Article L. 228-58 et seq. of the French *Code de commerce*, i.e. (without prejudice to any law change subsequent to the date of the Agency Agreement) by the relevant representative of the Issuer, by the Representatives of the Masse or by the liquidators or natural or physical persons performing equivalent functions during any possible winding-up or equivalent insolvency period. One or more Holder of French Notes, together holding at least one-thirtieth of the French Notes of the General Meeting, may submit to the Issuer and to the Representatives of the Masse a request for a meeting to be convened. In the latter case, if the Issuer or the relevant Representatives do not convene the Masse within two months (or within such longer or shorter period of time as may be specified from time by *décret en Conseil d'Etat* or otherwise), the Holder of French Notes requesting the convening of the meeting may bring legal proceedings for the appointment of a representative who shall convene the meeting.

23.4 **Meeting of Holders of French Securities (other than French Notes)**

The Issuer may convene (either at its own instigation or on the request of Holders of French Warrants or French Certificates holding at least ten per cent. of the number of Warrants or Certificates outstanding by giving notice to Holders of French Warrants or French Certificates in accordance with General Condition 26 (*Notices*)) a meeting of Holders of French Warrants and French Certificates under French law for the purpose of approving a modification or amendment to, or obtaining a waiver of, any covenant, General Condition or Specific Product Provision. The Holders of a clear majority of the number of French Warrants or French Certificates held at the time outstanding shall constitute a quorum. In the absence of a quorum at any such meeting, within 30 minutes of the time appointed for such meeting, the meeting may be adjourned for a period of not less than ten days; in the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than ten days; at the reconvening of any meeting further adjourned for lack of a quorum, the persons entitled to hold 25 per cent. of the number of French Warrants or French Certificates outstanding shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. At a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid, any resolution to modify or amend the Conditions, or to waive compliance with, any of the Conditions shall be effectively passed if passed by the persons entitled to the lesser of (i) a clear majority of the number of French Warrants or French Certificates then outstanding or (ii) 75 per cent. of the number of French Warrants or French Certificates represented and voting at the meeting.

In addition, a resolution in writing signed by or on behalf of all Holders of French Warrants or French Certificates who are for the time being entitled to receive notice of a meeting of Holders of French Warrants or French Certificates will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or in several documents in the same form, each signed by or on behalf of one or more Holders of French Warrants or French Certificates.

24. **Purchase and Cancellation**24.1 **Purchase**

The Issuer, the Guarantor in respect of Securities issued by JPMSP, JPMBD or JPMI, and any of their subsidiaries or affiliates may at any time purchase Securities provided that, in respect of Bearer Notes in definitive form, all unmatured Receipts and Coupons and unexchanged

Talons relating thereto are attached thereto or surrendered therewith. Purchases may be made at any price in the open market or by tender or private treaty. Any Securities so purchased may be held or resold or surrendered for cancellation, other than French Securities which must be surrendered for cancellation.

24.2 **Cancellation**

The obligations of the Issuer and the Guarantor (if any) in respect of Securities surrendered for cancellation shall be discharged following redemption and cancellation of the Securities by the Issuer (together, in the case of Bearer Notes in definitive form, with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith to the Relevant Programme Agent and, in the case of Registered Securities in definitive form by surrendering the registered certificate representing such Securities to the Registrar. French Securities shall be cancelled by being transferred to an account in accordance with the rules of procedures of Euroclear France).

25. **Further Issues**

The relevant Issuer may from time to time without the consent of the Holders or Couponholders create and issue further securities of any Series or Tranche, having the same terms and conditions as the relevant Securities (with the exception of the first Interest Payment Date, the first Coupon Payment Date and the Issue Price of the further securities) (so that, for the avoidance of doubt, references in the conditions of such securities to "**Issue Date**" shall be to the first issue date of the Securities) and so that the same shall be consolidated (with respect to French Securities, *assimilées*) and form a single series with the applicable Securities of that Series or Tranche and references in these General Conditions to "**Securities**" shall be construed accordingly.

26. **Notices**

26.1 **Notices to the Holders of Registered Securities in definitive form**

Notices to the Holders of Registered Securities in definitive form shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

26.2 **Notices to the Holders of Bearer Securities (other than French Securities and German Securities) in definitive form**

Notices to the Holders of Bearer Securities (other than French Securities and German Securities) in definitive form shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*).

26.3 **Notices to Holders of interests in Global Securities**

For Global Securities representing the Securities that are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France or DTC notices to the Holders of the Securities may be made by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France or DTC for communication by them to the Holders of the Securities. Any such notice shall be deemed to have been given to the Holders of the Securities on the day after the day on which such notice was given to Euroclear and/or Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France or DTC.

26.4 **Notices to Holders of Swiss Securities represented by a Swiss Global Security that are not listed on the SIX Swiss Exchange**

Notices to Holders of interests in a Swiss Global Security that are not listed on the SIX Swiss Exchange shall be validly given if published on the website or in the newspaper specified in the relevant Final Terms.

26.5 Notices to Holders of French Securities

- (a) All notices to Holders of French Securities will be valid if published in a leading daily financial newspaper having general circulation in Paris (which is expected to be *La Tribune* or *Les Echos*) or, if such newspaper shall cease to be published or timely publication in them shall not be practicable, in such other financial daily newspaper having general circulation in Paris.
- (b) In the case of French Securities in registered dematerialised form (*au nominatif*), notices may not be made in accordance with paragraph (a) above but may be mailed to Holders at their respective addresses in the register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.
- (c) Any notice mentioned in paragraphs (a) and (b) above will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of first publication in all required newspapers.

26.6 Notices to Holders of German Securities

Notices to Holders of German Securities will be valid if published (a) in a leading daily financial newspaper having general circulation in Germany (which is expected to be *Handelsblatt*), (b) on the website maintained on behalf of the Issuer, www.jpmorgansp.com, or (c) in accordance with General Condition 26.3 (*Notices to Holders of interests in Global Securities*).

26.7 Notices in respect of Securities listed on the Luxembourg Stock Exchange

So long as the Securities are admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require all notices regarding the Securities will be deemed to be validly given if published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

26.8 Notices in respect of Securities listed on the SIX Swiss Stock Exchange

For so long as any Securities are listed on the SIX Swiss Exchange, all notices in respect of such Securities shall be published in accordance with the rules of the SIX Swiss Exchange.

26.9 Notices in respect of Securities listed on any other stock exchange

For so long as any Securities are listed on any other stock exchange or listing authority, notices shall be published in accordance with the rules of such stock exchange or listing authority.

26.10 Notices by Holders of German Securities

In respect of German Securities, notices which are required to be given by the Holder to the Issuer or Relevant Programme Agent pursuant to General Condition 5.2 (*Redemption at the Option of Holders*), General Condition 11.2 (*Automatic Exercise Warrant Notice Requirement*) and General Condition 11.3 (*Exercise Procedure*) must be given (and will only be validly given) if:

- (a) the Holder submits to the Relevant Programme Agent a written notice in the form available from the Relevant Programme Agent which has been completed by such Holder or which includes any statements and declarations required by such form, in particular:
 - (i) the name and address of the Holder;
 - (ii) the specification (including ISIN/WKN) and number of Securities to which the notice is applicable;

- (iii) the account of the Holder with a bank in the Federal Republic of Germany to which any payments that may be owed or delivery which may be due under the Securities are to be credited; and
- (iv) in respect of Securities to which Physical Delivery applies, a Non-U.S. Certification; and
- (b) delivers the Securities to which the notice relates to the Relevant Programme Agent either (a) by means of an irrevocable instruction to the Relevant Programme Agent to debit the Securities from the depositary account, if any, maintained with the Relevant Programme Agent, or (b) by transfer of the Securities to the account of the Relevant Programme Agent with the Relevant Clearing System, or (c) in respect of Securities in definitive form, by delivering the Securities to the Relevant Programme Agent.

If the number of Securities to which the notice relates differs from the number of Securities transferred to the Relevant Programme Agent, the notice shall be deemed to apply only for the smaller of both numbers of Securities. Any Securities transferred in excess of the number of Securities to which the notice relates shall be re-transferred to the Holder at its risk and expense.

No Securities so delivered and options so exercised may be withdrawn without the prior consent of the Issuer.

26.11 Notices from the Calculation Agent

Notices from the Calculation Agent shall be given in accordance with General Conditions 26.1 (*Notices to the Holders of Registered Securities in definitive form*) to 26.9 (*Notices in respect of Securities listed on any other stock exchange*) above, as applicable.

27. Substitution

27.1 Right of Substitution

The Issuer may (provided it has complied with the requirements set out in General Conditions 27.2(a) to (e) (inclusive) (for Securities other than German Securities and French Securities) or General Conditions 27.3(a) to (e) (inclusive) (for German Securities and French Securities)) at any time, without the consent of the Holders, Receiptholders or the Couponholders (as applicable), substitute for itself any company from JPMorgan Chase & Co. and its consolidated subsidiaries (including the Guarantors) (the "**Substitute**") provided, however, that:

- (a) in respect of Securities issued by JPMSB, either JPMSB or JPMorgan Chase Bank, N.A. has or will (or based on an opinion of counsel to JPMSB (or JPMorgan Chase Bank, N.A. in its capacity as Guarantor, as the case may be), there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or brought in a court of competent jurisdiction on or after the Issue Date or any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date and such obligation cannot be avoided by JPMSB or JPMorgan Chase Bank, N.A., as the case may be, taking other reasonable measures available to it; and
- (b) in respect of securities issued by JPMBD, either JPMBD or JPMorgan Chase & Co. has or will (or based on an opinion of counsel to JPMBD (or JPMorgan Chase & Co. in its capacity as Guarantor, as the case may be), there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or brought in a court of competent jurisdiction on or after the Issue Date or any change in,

or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date and such obligation cannot be avoided by JPMBD or JPMorgan Chase & Co., as the case may be, taking other reasonable measures available to it.

27.2 Means of Substitution (Securities other than German Securities and French Securities)

The Substitute will, by means of a deed poll (the "**Deed Poll**"), substantially in the form scheduled to the Agency Agreement:

- (a) become a party to the Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it;
- (b) indemnify each Holder and Couponholder (as applicable) against (x) any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Security, Receipt, Coupon, or Talon (as applicable) or the Deed of Covenant arising from or in connection with the substitution and (y) against any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution;
- (c)
 - (i) JPMorgan Chase Bank, N.A. (in respect of Securities issued by JPMSP or JPMorgan Chase Bank, N.A., where JPMSP or JPMorgan Chase Bank, N.A. is substituted as issuer, and where JPMorgan Chase Bank, N.A. is not the Substitute) shall absolutely and unconditionally guarantee the obligations of the Substitute under the Deed Poll, the Securities, Receipts, Coupons, Talons and the Deed of Covenant by means of the Deed Poll; and
 - (ii) JPMorgan Chase & Co., (in respect of Securities issued by JPMBD or JPMorgan Chase & Co., where JPMBD or JPMorgan Chase & Co. is substituted as issuer and where JPMorgan Chase & Co. is not the Substitute) shall absolutely and unconditionally guarantee the obligations of the Substitute under the Deed Poll, the Securities, Receipts, Coupons, Talons and the Deed of Covenant by means of the Deed Poll;
- (d) all action, conditions and things required to be taken, fulfilled and done in respect of the substitution (including the obtaining of any necessary consents from the Swedish CSD in respect of Swedish Securities), and to ensure that the Deed Poll, the Securities, Receipts, Coupons, and Talons (as applicable) and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Deed Poll, of the Guarantor have been taken, fulfilled and done and are in full force and effect, and a supplement to the base prospectus describing the Programme shall be prepared if required to describe the Substitute; and
- (e) the Issuer shall give at least 14 days' (or, in the case of Italian Certificates, at least 30 days') prior notice of such substitution to the Holders (which shall be announced in accordance with General Condition 26 (*Notices*)), stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Holders, shall be available for inspection at the specified office of each of the Paying Agents.

27.3 Means of Substitution in respect of German Securities and French Securities

The right of substitution granted to German Securities and French Securities is subject to the following:

- (a) the Substitute assuming all obligations of the Issuer or any previous substituted company arising from or in connection with the German Securities or the French Securities;

- (b) the Issuer and the Substitute having obtained all necessary authorisations and being able to transfer all amounts required for the fulfilment of the payment obligations under the German Securities or the French Securities to the Relevant Programme Agent (in the currency required under the German Securities and French Securities) without being obliged to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute or the Issuer has its domicile or tax residence;
- (c) the Substitute agreeing to indemnify and hold harmless each Holder of German Securities or French Securities against (i) any tax, duty, assessment or governmental charge imposed on such Holder of German Securities or French Securities by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation which would not have been so imposed if the Substitution had not been made and (ii) any tax, duty, assessment or governmental charge, any cost or expense in respect of such Substitution;
- (d) if the German Securities or the French Securities are listed on a stock exchange and the rules of such exchange (or other regulatory authority) so requires, the Issuer notifying such substitution in accordance with applicable rules and regulations; and
- (e) in the case of German Securities or French Securities issued by JPMSP or JPMBD, the obligations of the Substitute arising under the German Securities or French Securities remaining guaranteed by the relevant Guarantor.

A notice of any Substitution in accordance with this General Condition 27.3 will be published in accordance with General Condition 26 (*Notices*).

27.4 References to Issuer deemed to be to Substitute

Where an Issuer is substituted for a Substitute, any reference to such Issuer in these General Conditions shall be deemed to be a reference to the Substitute.

28. Prescription

28.1 Securities other than German Securities

Claims against the Issuer or, as the case may be, the Guarantor for payment or delivery in respect of the Securities, Receipts or Coupons (including without limitation, claims for any applicable redemption amounts payable) shall be prescribed and become void unless made within (and no claims shall be made after such relevant date):

- (a) ten years (in the case of principal or any Reference Asset Amount(s));
- (b) five years (in the case of interest) from the appropriate Relevant Date in respect of the relevant Notes, Receipts or Coupons; or
- (c) five years from the Settlement Date in respect of Warrants and Certificates.

28.2 German Securities

The period for presentation of German Securities (pursuant to section 801 paragraph 1 sentence 1 of the German Civil Code) shall be ten years from the date on which the relevant obligation of the Issuer under the German Securities first becomes due, and the period of limitation for claims under the German Securities presented during the period for presentation shall be two years calculated from the expiration of the presentation period.

29. **Governing Law and Jurisdiction**

29.1 **Governing Law**

(a) ***Securities other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates***

Save as provided in General Condition 29.1(b) below (if applicable), the Securities (including Rule 144A Notes and Swiss Securities) and any Receipts, Coupons and Talons relating to the Securities and the Agency Agreement (and any dispute, controversy, proceedings or claim of whatever nature (whether contractual, non-contractual or otherwise) arising out of or in any way relating to the Securities or related Receipts, Coupons, Talons or the Agency Agreement or their respective formation) are governed by and shall be construed in accordance with English law. The JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP, and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by each of JPMBD and JPMI, shall be governed by and construed in accordance with the laws of the State of New York (without reference to the principles of conflicts of law).

(b) ***Danish Notes, Finnish Securities, Norwegian Securities and Swedish Securities***

Danish law will be applicable in respect of the registration (including transfer of title redemption and payments) of Danish Notes in the VP. Finnish law will be applicable in respect of the title to and registration of Finnish Securities in Euroclear Finland. Norwegian law will be applicable in respect of the registration of Norwegian Securities in the VPS. Swedish law will be applicable in respect of the registration of Swedish Securities in Euroclear Sweden.

(c) ***French Securities***

French Securities (and any dispute, controversy, proceedings or claim of whatever nature (whether contractual, non-contractual or otherwise) arising out of or in any way relating to French Securities, or their formation) are governed by and shall be construed in accordance with French law. The JPMorgan Chase Bank, N.A. Guarantee in respect of French Securities issued by JPMSP, and the JPMorgan Chase & Co. Guarantee in respect of French Securities issued by JPMBD, shall be governed by and construed in accordance with the laws of the State of New York and the Agency Agreement (and any dispute, controversy, proceedings or claim of whatever nature (whether contractual, non-contractual or otherwise) arising out of or in any way relating to the Agency Agreement, or its formation) shall be governed by and construed in accordance with English law (without reference to the principles of conflicts of law thereof).

(d) ***German Securities***

German Securities are governed by and shall be construed in accordance with, German law. The JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, shall be governed by and construed in accordance with the laws of the State of New York (without reference to the principle of conflicts of law thereof).

(e) ***Rule 144A Warrants and Rule 144A Certificates***

The Rule 144A Warrants and Rule 144A Certificates, the JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by each of JPMBD and JPMI are governed by and shall be construed in accordance with the laws of the State of New York and the Agency Agreement shall be construed in accordance with English law (without reference to the principles of conflicts of law thereof).

29.2 Jurisdiction

(a) *Securities other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates*

The Courts of England are to have jurisdiction to settle any disputes, controversy, proceedings or claim of whatever nature that may arise out of or in connection with any Securities (other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates), Receipts, Talons or Coupons (including their formation) and accordingly any such legal action or proceedings ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor (if any) irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Holders of the Securities, Receipts, Talons and Coupons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(b) *French Securities*

Any claim against the Issuer in connection with any French Securities may be brought before any competent court of the jurisdiction of the Paris Court of Appeal.

(c) *German Securities*

The courts of Frankfurt am Main are to have jurisdiction to settle any Proceedings that may arise out of or in connection with any German Securities, Receipts, Talons or Coupons (including their formation) and accordingly any Proceedings may be brought in such court. In respect of German Securities, each of the Issuer and the Guarantor (if any) irrevocably submits to the jurisdiction of the courts of Frankfurt am Main and waives any objection to Proceedings in such court on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the holders of the Securities and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(d) *Rule 144A Warrants and Rule 144A Certificates*

Any federal or state court in the Borough of Manhattan, The City of New York, State of New York is to have jurisdiction to settle any legal action or proceedings arising out of or in connection with Rule 144A Warrants and Rule 144A Certificates (including their formation), the JPMorgan Chase Bank, N.A. Guarantee in respect of Securities issued by JPMSP and the JPMorgan Chase & Co. Guarantee in respect of Securities issued by JPMBD, (the "**Proceedings**") that may be brought in such courts. Each of the Issuer and the Guarantor (if any) irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

29.3 Service of Process

(a) *Securities other than German Securities, Rule 144A Warrants and Rule 144A Certificates*

Each of JPMSP, JPMBD and JPMI appoints the Company Secretary of J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ, England and each of JPMorgan Chase Bank, N.A and JPMorgan Chase & Co. appoints the Company Secretary of J.P. Morgan Europe Limited, 125 London Wall, London EC2Y 5AJ, England as their respective agent in England to receive, for them and on their behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to the relevant process agent (whether or not, it is forwarded to and received by JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A or JPMorgan Chase & Co., as the case may be). If for any reason the relevant process agent ceases to be able to act as such or no longer has an address in London, each of JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A or JPMorgan Chase & Co., as the case may be,

irrevocably agrees to appoint a substitute process agent and shall immediately notify Holders of such appointment in accordance with General Condition 26 (*Notices*). Nothing shall affect the right of Holders to serve process in any manner permitted by law.

(b) ***German Securities***

Each of the Issuer and the Guarantor, if any, appoints the Head of the Legal Department of J.P. Morgan AG, Börsenstrasse 2-4, 60313 Frankfurt am Main, Germany as its agent in Germany to receive, for it and on its behalf, service of process in any Proceedings in Germany. Such service shall be deemed completed on delivery to the relevant process agent (whether or not, it is forwarded to and received by the Issuer or the Guarantor). If for any reason the relevant process agent ceases to be able to act as such or no longer has an address in Germany, the Issuer and the Guarantor, if any, irrevocably agree to appoint a substitute process agent and shall immediately notify Holders of such appointment in accordance with General Condition 26.6 (*Notices to Holders of German Securities*). Nothing shall affect the right to serve process in any manner permitted by law.

(c) ***Rule 144A Warrants and Rule 144A Certificates***

Each of JPMSP and JPMBD appoints JPMorgan Chase Bank, N.A. as its authorised agent upon which process may be served in any Proceedings that may be instituted in any federal or state court in the Borough of Manhattan, The City of New York, State of New York, but for that purpose only. Service of process upon such agent at 383 Madison Avenue, 5th Floor, New York, NY 10179, United States of America. Attention: Corporate Secretary, and written notice of such service to JPMSP or JPMBD by the person serving the same, shall be deemed in every respect effective service of process upon each of JPMSP and JPMBD in any such Proceedings. Such appointment shall be irrevocable so long as the Holders shall have any rights pursuant to the terms of the Rule 144A Warrants, or the Rule 144A Certificates, as the case may be, until the appointment of a successor by JPMSP or JPMBD, as applicable, and such successor's acceptance of such appointment. Upon such acceptance, JPMSP or JPMBD, as applicable, shall notify the Principal Programme Agent of the name and address of such successor. JPMSP and JPMBD each further agree to take any and all action, including the execution and filing of any and all such documents and instruments, as may be necessary to continue such designation and appointment of such agent or successor for so long as Holders shall have any rights pursuant to the terms of the Rule 144A Warrants, or the Rule 144A Certificates, as the case may be or for so long as Holders shall have any rights pursuant to the terms of the Rule 144A Warrants, or the Rule 144A Certificates, as the case may be issued by them, respectively. The Principal Programme Agent shall not be obliged and shall have no responsibility with respect to any failure by JPMSP or JPMBD to take any such action.

30. **Contracts (Rights of Third Parties) Act 1999**

In respect of any Securities which are governed by English law, no person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

31. **Definitions and Interpretation**

31.1 **Definitions**

In these General Conditions, unless the context otherwise requires, the following terms shall have the respective meanings set out below:

"**Additional Amounts**" has the meaning given in General Condition 18 (*Taxation*).

"**Adjustment Date**" means a date specified by the Issuer in the notice given to the Holders pursuant to General Condition 21.2 (*Adjustments to Warrants or Certificates for European Monetary Union*) which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty.

"Agency Agreement" has the meaning given in Part A (*Introduction*).

"Agents" means the Principal Programme Agent, the Paying Agents, the Registrar, the Transfer Agent, the Calculation Agent, the Delivery Agent as appointed by the Issuer and, if applicable, the Guarantor, and each Relevant Programme Agent.

"Alternative Settlement Date" means such date as the Calculation Agent reasonably determines.

"American Style" has the meaning given in General Condition 11.1(a) (*Exercise Style and Period*).

"Amortised Face Amount" has the meaning given in General Condition 5.5 (*Early Redemption of Zero Coupon Notes*).

"Amortisation Yield" means the yield specified as such in the relevant Final Terms or, if none is specified, the yield determined in accordance with General Condition 5.5 (*Early Redemption of Zero Coupon Notes*).

"Automatic Exercise" means, if specified to be applicable in the relevant Final Terms, that the relevant Warrants or Certificates not exercised prior to the Expiration Date shall be deemed to have been exercised on the Expiration Date.

"Automatic Exercise Warrant Notice" means, in respect of Warrants, the notice specified in General Condition 11.2 (*Automatic Exercise Warrant Notice Requirement*).

"Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to TARGET2 provided however, that payment will not be made by mail to an address in the United States or by transfer to an account maintained in the United States.

"Bearer Global Security" means a Permanent Bearer Global Security or a Temporary Bearer Global Security.

"Bearer Notes" means any Notes specified to be a Bearer Security in the relevant Final Terms.

"Bearer Securities" means any Securities specified as such in the relevant Final Terms.

"Bearer Securities Registered for U.S. Tax Purposes" means French Bearer Securities and German Securities issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. in respect of which "Holders Request" is specified to be not applicable in accordance with General Condition 1.1(c)(iii)(A).

"Benchmark" means the benchmark in respect of a Representative Amount of the Specified Currency as specified in the Final Terms.

"Bermudan Style" has the meaning given in General Condition 11.1(a) (*Exercise Style and Period*).

"Broken Amount" means the amount specified as such in the relevant Final Terms.

"Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as **"Additional Financial Centres"** in the relevant Final Terms and:

- (a) in the case of a payment in a currency other than euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, a day on which foreign exchange transactions may be claimed on and commercial banks settle payments in the relevant currency in the principal financial centre of the control of such currency;

- (b) in the case of a payment in euro, a day which is a TARGET2 Settlement Day and/or
- (c) in the case of one or more Additional Financial Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Financial Centre(s) or, if no currency is indicated, generally in each of the Additional Financial Centres,

provided that if the Additional Financial Centres are specified in the relevant Final Terms to be or to include "**TARGET2**", then Business Day shall also be a day which is a TARGET2 Settlement Day (in addition to the terms of the foregoing paragraphs (a), (b) and (c), as applicable); and in cases where payments and/or deliveries are to be made through a Relevant Clearing System, a day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) also open for the acceptance and execution of settlement instructions.

"**Business Day Convention**" has the meaning given in General Condition 13 (*Business Day*).

"**Calculation Agent**" means J.P. Morgan Securities Ltd. and includes any alternative calculation agent appointed from time to time in respect of a Series of Securities identified as such in the relevant Final Terms.

"**Cash Settlement**" means payment of the Settlement Amount or Redemption Amount, as applicable, in cash, as specified in the relevant Final Terms.

"**CEA**" means the U.S. Commodity Exchange Act, as amended.

"**Certificates**" has the meaning given in Part A (*Introduction*).

"**Clearing System Business Day**" means, in respect of any Relevant Clearing System, any day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**Clearstream Frankfurt**" means Clearstream Banking AG, Frankfurt or any successor or replacement thereto.

"**Clearstream, Luxembourg**" means Clearstream Banking, société anonyme or any successor or replacement thereto.

"**Closed Periods**" has the meaning given in General Condition 2.1(g) (*Closed Periods in respect of Danish Notes, Norwegian Notes, Swedish Notes and Finnish Notes*).

"**Code**" means the U.S. Internal Revenue Code of 1986.

"**Commodity Linked Interest Notes**" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "Commodity Linked Interest".

"**Commodity Linked Provisions**" has the meaning given in Part A (*Introduction*).

"**Commodity Linked Securities**" means any Securities in respect of which the "Commodity Linked Provisions" are specified to be applicable in the relevant Final Terms.

"**Conditions**" has the meaning given in Part A (*Introduction*).

"**Consolidated Conditions**" means, in respect of German Securities, the terms and conditions of such Securities, which are set out in the relevant Final Terms and attached to each Global Security and endorsed on each Security in definitive form representing such German Securities.

"**Coupon Amount**" means the amount specified as such in the relevant Final Terms.

"Couponholders" means the holders of any Coupons and any Talons relating to such Coupons.

"Coupon Payment Date" means each date specified as such in the relevant Final Terms.

"Coupon Period" means the period commencing on, and including (or in the case of Swedish Warrants and Swedish Certificates, excluding) the Issue Date and ending on, but excluding (or in the case of Swedish Warrants and Swedish Certificates, including), the first Coupon Payment Date and each successive period beginning on, and including (or in the case of Swedish Warrants and Swedish Certificates, excluding) a Coupon Payment Date and ending on, but excluding (or in the case of Swedish Warrants and Swedish Certificates, including) the next succeeding Coupon Payment Date.

"Coupons" means the interest coupons relating to interest bearing Notes in bearer form.

"Credit Linked Notes" means any Notes in respect of which the "Credit Linked Note Provisions" are specified to be applicable in the relevant Final Terms.

"Danish Notes" has the meaning given in General Condition 1.1(b)(iii) (*Danish Notes*).

"Danish Programme Agent" means Skandinaviska Enskilda Banken AB (publ), or any successor or additional agent appointed in connection with the relevant Danish Notes in accordance with the Agency Agreement.

"Danish Record Date" means, in respect of Danish Notes, the record date as set out in the applicable Danish rules regarding dematerialised securities issued through the VP.

"Danish Registrar" means the VP.

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these General Conditions or the relevant Final Terms and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year;
- (b) if **"Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;

- (d) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if "**30/360**" "**360/360**" or "**Bond Basis**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if "**30E/360**" or "**Eurobond Basis**" is so specified means, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

- (g) if "**30E/360 (ISDA)**" is so specified, means the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

"**Dealer**" means any dealer specified in the relevant Final Terms.

"**Deed of Covenant**" has the meaning given in Part A (*Introduction*).

"**Deed Poll**" has the meaning given in General Condition 27.2 (*Substitution*).

"**Definitive Notes Exchange Date**" has the meaning given in General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*).

"**Definitive Notes Request Notice**" has the meaning given in General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*).

"**Definitive Notes Threshold**" has the meaning given in General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*).

"**Delivery Agent**" means J.P. Morgan Securities Ltd. or any successor thereof (or such other Delivery Agent as may be appointed from time to time and as specified in the relevant Final Terms).

"**Delivery Date**" has the meaning given in General Condition 15.3 (*Delivery of Reference Asset Amount*).

"**Delivery Expenses**" means all expenses, including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or other taxes or duties, that arise from the delivery and/or transfer of any Reference Asset Amount(s).

"**Disruption Cash Settlement Price**" means such amount as specified in the relevant Final Terms, or, if not so specified, an amount equal to the fair market value of the relevant Security (but not taking into account any interest accrued on any Security) on such day as shall be selected by the Calculation Agent in its discretion adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to any options or selling or otherwise realising any relevant Share or other instruments or assets of any type whatsoever which the Issuer and/or any of its affiliates may hold as part of such hedging arrangements), all as calculated by the Calculation Agent in good faith and in a commercially reasonable manner.

"Drawdown Prospectus" means any prospectus or summary (if applicable) and securities note prepared in connection with a particular Tranche of Securities and approved by a competent authority for the purposes of the Prospectus Directive, and in each case includes any supplements thereto and notices related thereto.

"DTC" means The Depository Trust Company or any successor or replacement thereto.

"DTC Custodian" means the custodian on behalf of DTC.

"Dual Currency Notes" means any Notes in respect of which the "Dual Currency Note Provisions" are specified to be applicable in the relevant Final Terms.

"Early Payment Amount" means an amount determined by the Calculation Agent on the second Business Day immediately preceding the due date for the early redemption or settlement of the Securities, representing the fair market value of such Securities taking into account all factors which the Calculation Agent determines relevant (including, if applicable, any accrued interest) (but ignoring the event which resulted in such early redemption) less all costs incurred by the Issuer or any affiliate in connection with such early redemption or settlement, including, without limitation, any costs to the Issuer associated with unwinding any funding relating to the Securities, any costs associated with unwinding any underlying related hedging arrangements, and all other expenses related thereto, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

"ECP" means "eligible contract participants" as defined in Section 1(a)(12) of the CEA.

"Effective Date" means, with respect to any Rate of Interest to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Period to which such Interest Determination Date relates.

"Eligible Investor Certification" means, with respect to Rule 144A Securities, the certification by a Holder included in an Exercise Notice and Reference Asset Transfer Notice to the effect that it is an Eligible Investor, including, among other things, it is (i) a QIB, (ii) in relation to Securities issued by JPMSP or JPMBD, a QP, (iii) an ECP and (iv) in relation to Securities issued by JPMSP or JPMBD, either (a) a MUSIV or (b) a Qualified Offshore Client, and that it is able to make the representations, warranties, acknowledgments and agreements required in the relevant Investor Letter of Representations as of the certification date and as of the date the underlying Reference Assets are delivered to it or by it or the Settlement Amount, Exercise Amount or Redemption Amount is paid to it or by it, as the case may be.

"Established Rate" means the rate for the conversion of the Specified Currency (including compliance with rules relating to rounding in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"EURIBOR" means the Euro Interbank Offered Rate.

"euro" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

"Euroclear" means Euroclear Bank S.A./N.V. or any successor or replacement thereto.

"Euroclear Finland" means Euroclear Finland Oy, the Finnish Central Securities Depository or any successor or replacement thereto.

"Euroclear Finland register day" has the meaning given in General Condition 6.2(d) (*Payments in respect of Finnish Notes*).

"Euroclear Finland Rules" means Finnish laws, regulations, decisions and operating procedures from time to time applicable to the Finnish Securities and/or issued by Euroclear Finland.

"Euroclear France" means Euroclear France S.A. or any successor or replacement thereto.

"Euroclear France Account Holder" means any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank and the depositary bank for Clearstream, Luxembourg.

"Euroclear Sweden" means Euroclear Sweden AB or any successor or replacement thereto.

"European Style" has the meaning given in General Condition 11.1(a) (*Exercise Style and Period*).

"Euro-zone" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"Event of Default" has the meaning given in General Condition 16.1 (*Occurrence of Event of Default*).

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"Exchange Date" means, in relation to a Temporary Global Security, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Security, a day falling not less than 60 days, or in the case of failure to pay principal, the redemption amount or settlement amount in respect of any Securities when due, 30 days, after the day on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Relevant Programme Agent is located and in the city in which the Relevant Clearing System is located.

"Exchanged Notes" has the meaning given in General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*).

"Exercise Amount" means, in the case of Securities for which Physical Settlement applies, the amount payable by the intended recipient of the Reference Assets upon exercise of such Securities, as specified in the relevant Final Terms.

"Exercise Date" means the day, as specified in the relevant Final Terms, during the Exercise Period on which a Security is, or is deemed to be, exercised in accordance with the General Conditions.

"Exercise Notice" means:

- (a) in respect of Warrants other than Warrants which are German Securities, a notice (substantially in the form provided by the Relevant Programme Agent), with any such amendments as the Issuer may specify, and which shall:
 - (i) specify the number of Warrants of each Series or Tranche being exercised and, if applicable, attach the Warrants in definitive form being exercised;
 - (ii) specify the number of the Holder's account at the Relevant Clearing System(s) (if applicable) to be debited with the Warrants being exercised;
 - (iii) irrevocably instruct the Relevant Clearing System(s), or the Relevant Programme Agent in the case of Warrants in definitive form or Finnish Warrants, Norwegian Warrants and Swedish Warrants, as applicable, to debit on or before the Settlement Date the account of the relevant Holder with the Warrants being exercised and to credit the account of the Relevant Programme Agent;
 - (iv) if the relevant Final Terms confer on the Holder an option to receive upon exercise either (A) Cash Settlement, (B) Issuer Physical Settlement or (C) Holder Physical Settlement, specify whether the Holder requires Cash Settlement or Physical Settlement. If the relevant Final Terms confer on the Issuer an option to deliver either Cash Settlement or Physical Settlement, its

choice shall be notified to the Holders in accordance with General Condition 26 (*Notices*);

- (v) if the Warrants are to be, or may be, settled by Issuer Physical Settlement (whether in accordance with the Final Terms or at the option of the Issuer or the Holder) include an irrevocable undertaking to pay the Exercise Amount on or prior to the relevant Settlement Date or otherwise in accordance with the relevant Final Terms;
- (vi) if the Warrants are to be, or may be, settled by Holder Physical Settlement (whether in accordance with the Final Terms or at the option of the Holder or the Issuer) include an irrevocable undertaking to deliver the Reference Asset on or prior to the relevant Settlement Date or otherwise in accordance with the relevant Final Terms:
 - (A) include an irrevocable undertaking to pay (i) any applicable Expenses due by reason of the exercise of Warrants by such Holder including, for the avoidance of doubt, any Expenses which are required by law to be deducted or withheld from any payments or as a result of a transfer of a Reference Asset following the exercise of Warrants and (ii) in the case where Expenses are required to be deducted or withheld by the Holder from payments it makes to the Issuer, such additional amount as is necessary to ensure that the net amount actually received by the Issuer (free and clear of Expenses, whether assessed against Issuer or Holder) will equal the full amount the Issuer would have received had no such deduction or withholding been required;
 - (B) include an authorisation to the Issuer (i) (in the case of Cash Settlement) to deduct any Expenses from the Settlement Amount, (ii) (in the case of Holder Physical Settlement) to deduct any Expenses from the Exercise Amount or any other amount payable by the Issuer to the Holder in connection with the exercise of such Warrants or (iii) (in the case of Issuer Physical Settlement) to delay delivery of the Reference Asset until such Expenses have been paid by the Holder;
 - (C) except with respect to Swedish Warrants and to Finnish Warrants (if applicable) include a Warrant Account Notice;
 - (D) except with respect to Swedish Warrants and Finnish Warrants (if applicable) include a Non-U.S. Certification if "Physical Delivery" is applicable to the Warrants; and
 - (E) authorise the production of such certification in applicable administrative or legal proceedings; and
- (b) in respect of Warrants which are German Securities, a notice pursuant to General Condition 26.10 (*Notices by Holders of German Securities*) which also meets the requirements of paragraphs (iv) to (vi)(B) (inclusive) of paragraph (a) above.

"Exercise Period" means, in respect of:

- (a) Securities designated in the relevant Final Terms as "American Style", in respect of (i) Securities to which the Share Linked Provisions and the Index Linked Provisions apply, all Scheduled Trading Days (or such other types of days as may be specified in the relevant Final Terms) from, and including, the Issue Date to, and including, the Expiration Date, and (ii) all other Securities, the period commencing on, and including, the Issue Date and ending on, and including, the Expiration Date;
- (b) Securities designated in the relevant Final Terms as "European Style", the Expiration Date; and

- (c) Securities designated in the relevant Final Terms as "Bermudan Style", each Potential Exercise Date and the Expiration Date.

"Expenses" means all expenses, costs, charges, levies, tax, duties, withholding, deductions or other payments including without limitation, all depositary, custodial, registration, transaction and exercise charges and all stamp, issues, registration or, securities transfer or other similar taxes or duties incurred by the Issuer and/or a Hedging Entity in respect of the Issuer's obligations under the Securities.

"Expiration Date" means the date specified as such in the relevant Final Terms, provided that if "Expiration Date subject to Valuation Date adjustment" is stated to be applicable in the relevant Final Terms, then the provisions of the Specific Product Provisions shall apply to the Expiration Date as if such date were a Valuation Date.

"Extraordinary Resolution" means a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority of at least 75 per cent. of the principal amount (in the case of Notes) or number outstanding held (in the case of Warrants or Certificates) of the Securities represented and voting at such meeting. A resolution in writing signed or electronically approved using the systems and procedures in place from time to time of a Relevant Clearing System by or on behalf of 75 per cent. or more of Holders of Securities, by reference to their original aggregate principal amount (in the case of Notes) or the number of Securities outstanding (in the case of Warrants and Certificates), who for the time being are entitled to receive notice of a meeting shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of the Holders of the Securities. Such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Holders of Securities or may be in the form of SWIFT or other electronic instructions as permitted by the rules and procedures of the Relevant Clearing System, and in each case the date of such resolution shall be the date that such 75 per cent. majority is reached.

"FDIC" has the meaning given in General Condition 3.1 (*Guarantee*).

"Final Redemption Amount" has the meaning given in the relevant Final Terms.

"Final Terms" has the meaning given in Part A (*Introduction*).

"Finnish Certificates" means any Certificates which are specified to be Finnish Securities in the relevant Final Terms.

"Finnish Notes" means any Notes which are specified to be Finnish Securities in the relevant Final Terms.

"Finnish Programme Agent" means Svenska Handelsbanken AB (publ), Branch Office in Finland, or any successor or additional agent appointed in connection with the relevant Finnish Securities in accordance with the Agency Agreement.

"Finnish Record Date" has the meaning given in General Condition 6.2(d) (*Payments in respect of Finnish Notes*).

"Finnish Register" has the meaning given in General Condition 1.2(e) (*Title to Finnish Securities*).

"Finnish Registrar" has the meaning given in General Condition 1.1(b)(iv) (*Finnish Securities*).

"Finnish Securities" has the meaning given in General Condition 1.1(b)(iv) (*Finnish Securities*).

"Finnish Warrants" means any Warrants which are specified to be Finnish Securities in the relevant Final Terms.

"Fixed Coupon Amount" means the amount specified as such in the relevant Final Terms.

"Fixed Rate Coupon" means the rate specified in the relevant Final Terms.

"Fixed Rate Notes" means any Notes in respect of which the "Fixed Rate Note Provisions" are specified to be applicable in the relevant Final Terms.

"Floating Rate Coupon" means the rate of interest payable from time to time in respect of a Certificate in respect of which the "Certificate Floating Rate Coupon Provisions" are specified to be applicable in the relevant Final Terms and that is either specified or calculated in accordance with the provisions in such relevant Final Terms.

"Floating Rate Coupon Commencement Date" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"Floating Rate Coupon Determination Date" means, with respect to a Floating Rate Coupon and a Floating Rate Coupon Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the first day of such Floating Rate Coupon Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Floating Rate Coupon Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET2 Settlement Days prior to the first day of such Floating Rate Coupon Period if the Specified Currency is euro.

"Floating Rate Coupon Payment Date" means each date specified as such in the relevant Final Terms, adjusted in accordance with the Business Day Convention.

"Floating Rate Coupon Period" means the period commencing on, and including (or in the case of Swedish Certificates, excluding) the Issue Date and ending on, but excluding (or in the case of Swedish Certificates, including), the first Floating Rate Coupon Payment Date and each successive period beginning on, and including (or in the case of Swedish Certificates, excluding) a Floating Rate Coupon Payment Date and ending on, but excluding (or in the case of Swedish Certificates, including) the next succeeding Floating Rate Coupon Payment Date.

"Floating Rate Notes" means any Notes in respect of which the "Floating Rate Note Provisions" are specified to be applicable in the relevant Final Terms.

"Foreign Account Tax Compliance Provisions" means the U.S. tax legislation enacted on 18 March 2010 as Section 501 of the Hiring Incentives to Restore Employment Act of 2010.

"French Bearer Securities" has the meaning given in General Condition 1.1(a)(ii) (*French Bearer Securities*).

"French Certificates" means any Certificates which are specified to be French Securities in the relevant Final Terms.

"French Notes" means any Notes which are specified to be French Securities in the relevant Final Terms.

"French Programme Agent" means BNP Paribas Securities Services, Paris branch, or any successor or additional agent appointed in connection with the relevant French Securities in accordance with the Agency Agreement.

"French Registered Securities" has the meaning given in General Condition 1.1(b)(ii) (*French Registered Securities*).

"French Registration Agent" has the meaning given in General Condition 1.1(b)(ii) (*French Registered Securities*).

"French Securities" has the meaning given in General Condition 1.1(b)(ii) (*French Registered Securities*).

"French Warrants" means any Warrants which are specified to be French Securities in the relevant Final Terms.

"FX Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "FX Linked Interest".

"FX Linked Provisions" has the meaning given in Part A (*Introduction*).

"FX Linked Securities" means any Securities in respect of which the "FX Linked Provisions" are specified to be applicable in the relevant Final Terms.

"General Conditions" means these General Conditions.

"General Meeting" has the meaning given in General Condition 23.3 (*Meetings of Holders of French Notes (Masse)*).

"German Programme Agent" means BNP Paribas Securities Services, Frankfurt branch or any successor or additional agent appointed in connection with the relevant German Securities in accordance with the Agency Agreement.

"German Securities" means Bearer Securities which are governed by German law.

"Global Bearer Note" means a Bearer Note in global form.

"Global Certificates" means Certificates in global form.

"Global Notes" means Notes in global form.

"Global Security" means a Security in global form representing interests in Securities, and **"Global Securities"** shall be construed accordingly.

"Global Warrants" means Warrants in global form.

"Guarantees" means the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee, and each is a **"Guarantee"**.

"Guarantor" has the meaning given in Part A (*Introduction*).

"Hedging Entity" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer engaged in any underlying or hedging transactions relating to the Securities and/or Reference Assets in respect of the Issuer's obligations under the Securities.

"Holder" has the meaning given in General Condition 1.2 (*Title*).

"Holder Physical Settlement" means the payment of the Exercise Amount by the Issuer to the Holder against delivery of the Reference Asset by the Holder to the Issuer as provided in General Condition 11.3(e) (*Holder Physical Settlement*).

"Holder's Request" has the meaning given in General Condition 1.1(c)(ii) (*Exchange of Bearer Securities other than French Bearer Securities and German Securities*) or General Condition 1.1(c)(iii) (*Exchange of German Securities*), as the case may be.

"Index Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "Index Linked Interest".

"Index Linked Provisions" has the meaning given in Part A (*Introduction*).

"Index Linked Securities" means any Securities in respect of which the "Index Linked Provisions" are specified to be applicable in the relevant Final Terms.

"Instalment Amount" means the amount specified as such in the relevant Final Terms.

"Instalment Date" means each date specified as such in the relevant Final Terms.

"Instalment Notes" means any Notes specified as such in the relevant Final Terms.

"Interest Amount" for a period or an Interest Payment Date, means the amount of interest payable for such period or on the Interest Payment Date as specified in the relevant Final Terms or as determined pursuant to the formula for its calculation set out in the relevant Final Terms.

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the first day of such Interest Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET2 Settlement Days prior to the first day of such Interest Period if the Specified Currency is euro.

"Interest Payment Date" means each date specified as such in the relevant Final Terms adjusted, in the case of Floating Rate Notes, in accordance with the Business Day Convention.

"Interest Period" means the period beginning on and including (or in the case of Swedish Notes, excluding) the Interest Commencement Date (or in the case of Swedish Notes, the Issue Date) and ending on but excluding (or in the case of Swedish Notes, including) the first Interest Payment Date and each successive period beginning on and including (or in the case of Swedish Notes, excluding) an Interest Payment Date and ending on but excluding (or in the case of Swedish Notes, including) the next succeeding Interest Payment Date.

"Intermediated Securities" means Swiss Securities which are represented by a Global Security that is deposited with SIS and, therefore, constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

"Intervening Period" has the meaning given in General Condition 15.6 (*Settlement Disruption Event*).

"Investment Company Act" means the U.S. Investment Company Act of 1940, as amended.

"Investor Letter of Representation" means a letter in the form provided by the relevant dealer entered into with the relevant Issuer, the relevant arranger and the relevant dealer in relation to the purchase of Rule 144A Securities which are Warrants or Certificates or Rule 144A Notes if such Notes have been exchanged for Securities in definitive form or are being held as Securities in definitive form.

"ISDA Definitions" means, the 2006 ISDA definitions (the **"2006 Definitions"**), as published by the International Swaps and Derivatives Association, Inc.

"ISDA Rate" has the meaning given in General Condition 4.2(b)(i) (*ISDA Determination for Floating Rate Notes*).

"Issue Date" means the date on which the relevant Securities are issued, as specified in the relevant Final Terms.

"Issue Price" means the price specified as such in the relevant Final Terms.

"Issuer" means the issuer specified as such in the relevant Final Terms.

"Issuer Physical Settlement" means the delivery of the Reference Asset by the Issuer to the Holder against payment by the Holder of the Exercise Amount to the Issuer as provided in General Condition 11.3(d) (*Issuer Physical Settlement*).

"Italian Certificates" means any Certificates specified as such in the relevant Final Terms and for which it is intended to seek admission to listing on the regulated markets organised and managed by Borsa Italiana S.p.A.

"Joint Representative" has the meaning given in General Condition 23.1(e)(v).

"JPMBD" means J.P. Morgan Bank Dublin plc.

"JPMI" means J.P. Morgan Indies SRL.

"JPMorgan Chase & Co. Guarantee" has the meaning given in Part A (*Introduction*).

"JPMorgan Chase Bank, N.A. Guarantee" has the meaning given in Part A (*Introduction*).

"JPMSP" means J.P. Morgan Structured Products B.V..

"Latest Exercise Time" means in each case the Exercise Notice shall be delivered:

- (a) in the case of "American Style" Warrants, not later than 10.00 a.m. (Local Time) on any Scheduled Trading Day during the relevant Exercise Period;
- (b) in the case of "Bermudan Style" Warrants, not later than 10.00 a.m. (Local Time) on any Potential Exercise Date during the relevant Exercise Period; or
- (c) in the case of "European Style" Warrants, not later than 10.00 a.m. (Local Time) on the Expiration Date.

"Local Time" means the local time in the city of the Relevant Clearing System(s).

"Margin" means the margin specified as such in the relevant Final Terms.

"Market Access Participation Notes" means any Notes in respect of which the "Market Access Participation Provisions" are specified to be applicable in the relevant Final Terms.

"Market Access Participation Provisions" has the meaning given in Part A (*Introduction*).

"Masse" has the meaning given in General Condition 23.3 (*Meetings of Holders of French Notes (Masse)*).

"Maturity Date" means the date specified as such in the relevant Final Terms.

"Maximum Exercise Number" means the maximum number of Securities which may be exercised on any Exercise Date as specified in the relevant Final Terms.

"Maximum Rate of Floating Rate Coupon" means the maximum rate to which the Floating Rate Coupon is subject, as specified in the relevant Final Terms.

"Maximum Rate of Interest" means the maximum interest rate to which any applicable rate of interest is subject, as specified in the relevant Final Terms.

"Minimum Exercise Number" means the minimum number of Securities which may be exercised on any Exercise Date as specified in the relevant Final Terms.

"Minimum Rate of Floating Rate Coupon" means the minimum rate to which the Floating Rate Coupon is subject, as specified in the relevant Final Terms.

"Minimum Rate of Interest" means the minimum interest rate to which any applicable rate of interest is subject, as specified in the relevant Final Terms.

"Minimum Transferable Amount" means in respect of Italian Certificates, the minimum transferable amount as specified in the relevant Final Terms.

"MUSIV" means a "major U.S. institutional investor" as defined in Rule 15a-6(b)(4) under the Exchange Act.

"National Currency Unit" means the unit of the currency of a country, as those units are defined on the date on which the country of the Original Currency first participates in European Economic and Monetary Union.

"Non-U.S. Certification" means a certification (substantially in the form provided by the Relevant Programme Agent) from the relevant Holder that, in the case of its Securities, such Securities are not being exercised or redeemed (as applicable) in the United States or by or on behalf of any U.S. Person, that the payment or delivery with respect to such Securities will not be made in the United States or to, or for the account of, a U.S. Person, that none of such Securities were purchased in the United States and that the Holder was not solicited to purchase such Securities in the United States.

"Norwegian Certificates" means any Certificates which are specified to be Norwegian Securities in the relevant Final Terms.

"Norwegian Notes" mean any Notes which are specified to be Norwegian Securities in the relevant Final Terms.

"Norwegian Programme Agent" means Skandinaviska Enskilda Banken AB (publ), or any successor or additional agent appointed in connection with the Norwegian Securities in accordance with the Agency Agreement.

"Norwegian Record Date" has the meaning given in General Condition 6.2(e) (*Payments in respect of Norwegian Notes*).

"Norwegian Registrar" means the VPS.

"Norwegian Securities" has the meaning given in General Condition 1.1(b)(v) (*Norwegian Securities*).

"Norwegian Warrants" means any Warrants which are specified to be Norwegian Securities in the relevant Final Terms.

"Notes" has the meaning given in Part A (*Introduction*).

"Notional Amount" has the meaning given in General Condition 8.1 (*Coupon Payment Dates*).

"Optional Redemption Amount" means the amount specified as such in the relevant Final Terms.

"Optional Redemption Date" means any date specified as such in the relevant Final Terms.

"Original Currency" has the meaning given in General Condition 21.2(a) (*Adjustments to Warrants or Certificates for European Monetary Union*).

"Other Variable Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is specified to be anything other than "Commodity Linked Interest", "FX Linked Interest", "Index Linked Interest" or "Share Linked Interest".

"Page" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000), as may be specified in the relevant Final Terms for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

"Partial Distributions" has the meaning given in General Condition 14.2(b) (*Obligation to pay postponed*).

"Partly Paid Notes" means any Note in relation to which the initial subscription moneys are payable to the Issuer in one or more instalments.

"Paying Agent" means any agent appointed as such pursuant to the Agency Agreement.

"Payment Day" has the meaning given in General Condition 13.2 (*Payments on Payment Days*).

"Payment Disruption Event" means:

- (a) an event in relation to a Relevant Payment Jurisdiction which has the effect of preventing, restricting or delaying the Calculation Agent or Issuer from:
 - (i) converting a Relevant Currency into another Relevant Currency through customary legal channels; or
 - (ii) converting a Relevant Currency into another Relevant Currency at a rate at least as favourable as the rate for domestic institutions located in the Relevant Payment Jurisdiction; or
 - (iii) delivering any Relevant Currency from accounts inside the Relevant Payment Jurisdiction to accounts outside the Relevant Payment Jurisdiction; or
 - (iv) delivering a Relevant Currency between accounts inside the Relevant Payment Jurisdiction or to a party that is a non-resident of the Relevant Payment Jurisdiction; or
- (b) the imposition by the Relevant Payment Jurisdiction (or any political or regulatory authority thereof) of any capital controls, or the publication of any notice of an intention to do so, which the Calculation Agent determines in good faith is likely materially to affect the Securities, and notice thereof is given by the Issuer to the Holders in accordance with General Condition 26 (*Notices*); or
- (c) the implementation by the Relevant Payment Jurisdiction (or any political or regulatory authority thereof) or the publication of any notice of an intention to implement any changes to the laws or regulations relating to foreign investment in the Relevant Payment Jurisdiction (including, but not limited to, changes in tax laws and/or laws relating to capital markets and corporate ownership), which the Calculation Agent determines are likely to affect materially the Issuer's ability to hedge its obligations under the Securities.

"Payment Event Cut-off Date" means the date which is one year after the Maturity Date, Redemption Date, Settlement Date or any other date which is the last date on which amounts under the Securities shall be due and payable by the Issuer (as the case may be), or as determined by the Calculation Agent acting in good faith and as specified herein.

"Permanent Bearer Global Security" has the meaning given in General Condition 1.1(c)(ii) (*Exchange of Bearer Securities other than French Bearer Securities and German Securities*) or General Condition 1.1(c)(iii) (*Exchange of German Securities*), as the case may be.

"Permanent Global Security" means a Permanent Bearer Global Security and/or a Permanent Registered Global Security.

"Permanent Registered Global Security" means a Permanent Global Security in registered form.

"Physical Delivery Cut-Off Date" means the relevant date specified in the relevant Final Terms (or if that day is not a Clearing System Business Day, the next following such Clearing System Business Day).

"Physical Settlement" means (a) for Warrants, either Holder Physical Settlement or Issuer Physical Settlement, (b) for Certificates, the delivery of Reference Assets in discharge of the obligation to pay the Redemption Amount from the Issuer to the Holders as specified in the relevant Final Terms, and (c) for Notes, the delivery of Reference Assets in discharge of the obligation to pay the Final Redemption Amount from the Issuer to the Holders as specified in the relevant Final Terms.

"Potential Exercise Date" means each date specified as such in the relevant Final Terms, provided that if "Potential Exercise Date subject to Valuation Date adjustment" is stated to be applicable in the relevant Final Terms, then any Specific Product Provisions specified to be applicable in the relevant Final Terms shall apply to the Potential Exercise Date as if such date were a Valuation Date.

"Primary Source" means the source specified as such in the relevant Final Terms.

"Principal Financial Centre" in respect of Notes has the meaning given in General Condition 4.2(b)(ii) (*Screen Rate Determination for Floating Rate Notes*) and in respect of Certificates has the meaning given in General Condition 8.3(b)(ii) (*Screen Rate Determination for Floating Rate Coupon*).

"Principal Programme Agent" means The Bank of New York Mellon, London branch, and includes any successor or additional agent or any other such agent identified as such in the relevant Final Terms.

"Proceedings" means any legal action or proceedings arising out of or in connection with the Securities.

"Programme" has the meaning given in Part A (*Introduction*).

"Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

"Put Option Exercise Notice" means a notice in the form obtainable from the Relevant Programme Agent.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"QP" means a "qualified purchaser" as defined in Section 2(a)(51) and related rules of the Investment Company Act 1940.

"Qualified Offshore Client" means (a) an entity not organised or incorporated under the laws of the United States and not engaged in a trade or business in the United States for U.S. federal income tax purposes, (b) a natural person who is not a U.S. resident or (c) any entity not organised or incorporated under the laws of the United States substantially all of the outstanding voting securities of which are beneficially owned by persons described in (a) or (b) above, which is represented by a U.S. resident professional fiduciary that is not a registered broker-dealer or a bank acting in a broker-dealer capacity within the meaning of Rule 15a-6(a)(4)(i) under the Exchange Act.

"Quota" means, if Maximum Exercise Number is specified in the relevant Final Terms as being applicable, a number of Securities equal to such Maximum Exercise Number.

"Rate of Exchange" has the meaning given in the relevant Final Terms.

"Rate of Interest" means the rate of interest payable from time to time in respect of the Note and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

"Receipts" means the receipts for the payment of instalments of principal relating to Notes in bearer form in respect of which the principal is payable in instalments.

"Receipholders" means the holders of any Receipts.

"Record Date" has the meaning given in General Condition 6.2(i) (*Record Date*) or General Condition 9.2(d) (*Record Date*) or General Condition 11.3(k) (*Record Date*), in each case as applicable.

"Redemption Amount" means the redemption amount specified as such in the relevant Final Terms.

"Redemption Date" means the date specified as such in the relevant Final Terms.

"Redenomination Date" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Holders pursuant to General Condition 21.1 (*Redenomination of Notes*) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.

"Reference Asset" or **"Reference Assets"** has the meaning specified in the relevant Final Terms.

"Reference Asset Amount" or **"Reference Asset Amounts"** means the amount of Reference Assets, as specified in the relevant Final Terms, which is to be delivered by the Delivery Agent on behalf of the Issuer on the date specified in the relevant Final Terms.

"Reference Asset Transfer Notice" means a notice, substantially in the form set out in the Agency Agreement (and which may be obtained during normal business hours from the specified office of the Relevant Programme Agent), which shall:

- (a) specify the name and address of the relevant Holder, any account details required for delivery as set out in the relevant Final Terms and the person from whom the Issuer may obtain details for the delivery of the Reference Asset Amount if such delivery is to be made otherwise than in the manner specified in the relevant Final Terms;
- (b) contain a Non-U.S. Certification and confirm that delivery of the Reference Asset Amount(s) will not be made in the United States or, in the case of Rule 144A Securities, contain an Eligible Investor Certification;
- (c) in the case of Securities represented by a Global Security, specify the nominal amount of Securities which are the subject of such notice and the number of the Holder's account at the Relevant Clearing System (if applicable), to be debited with such Securities and irrevocably instruct and authorise any Relevant Clearing System (if applicable), to debit the relevant Holder's account with such Securities on the relevant Interest Payment Date(s) and/or the Settlement Date or the Maturity Date, as the case may be;
- (d) include an undertaking to pay all Delivery Expenses and, in the case of the Securities represented by a Global Security, an authority to debit a specified account of the Holder at the Relevant Clearing System (if applicable), in respect thereof and to pay such Delivery Expenses;
- (e) include an authorisation to the Issuer to delay delivery of the Reference Asset Amount until all Delivery Expenses have been paid by the Holder; and
- (f) authorise the production of such notice in any applicable administrative or legal proceedings.

"Reference Banks" means the institutions specified as such in the relevant Final Terms or, if none, five major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone).

"Register" has the meaning given in General Condition 1.2(b) (*Title to Registered Securities (other than Danish Notes, Finnish Securities, Norwegian Securities, Swedish Securities, French Registered Securities and Swiss Securities)*).

"Registered Certificates" means Certificates in registered form.

"Registered Global Note" means a global note in registered form.

"Registered Global Security" means a Permanent Registered Global Security or a Temporary Registered Global Security.

"Registered Notes" means Notes in registered form.

"Registered Securities" means any Securities specified as such in the relevant Final Terms and includes Securities regarded as Registered Securities for the purposes of these General Conditions pursuant to General Condition 1.1(b) (*Registered Securities*) (and each shall be a **"Registered Security"**).

"Registered Warrants" means Warrants in registered form.

"Registrar" means, in respect of (i) Danish Notes, the Danish Registrar, (ii) Finnish Securities, the Finnish Registrar, (iii) Norwegian Securities, the Norwegian Registrar, (iv) Swedish Securities, the Swedish Registrar, (v) French Registered Securities, the French Registration Agent, (vi) Swiss Securities, the Swiss Registrar and (vii) all other Registered Securities, The Bank of New York Mellon, or any successor to any of the above entities appointed in accordance with the Agency Agreement or other such registrar identified as such in the relevant Final Terms.

"Regular Period" means:

- (a) in the case of Securities where interest on the Notes or the coupon on the Certificates is scheduled to be paid only by means of regular payments, each period from and including (or in the case of Swedish Securities, excluding) the Issue Date to but excluding (or in the case of Swedish Securities, including) the first Interest Payment Date, or Coupon Payment Date (as applicable) and each successive period from and including (or in the case of Swedish Securities, excluding) one Interest Payment Date or Coupon Payment Date (as applicable) to but excluding (or in the case of Swedish Securities, including) the next Interest Payment Date or Coupon Payment Date (as applicable);
- (b) in the case of Securities where, apart from the first Interest Payment Date or Coupon Payment Date (as applicable), interest is scheduled to be paid only by means of regular payments, each period from and including (or in the case of Swedish Securities, excluding) a Regular Date falling in any year to but excluding (or in the case of Swedish Securities, including) the next Regular Date, where "Regular Date" means the day and month (but not the year) on which any Interest Payment Date or Coupon Payment Date (as applicable), falls; and
- (c) in the case of Securities where, apart from one Interest Period or Coupon Period (as applicable), other than the first Interest Period or Coupon Period (as applicable), interest is scheduled to be paid only by means of regular payments, each period from and including (or in the case of Swedish Securities, excluding) a Regular Date falling in any year to but excluding (or in the case of Swedish Securities, including) the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date or Coupon Payment Date (as applicable) falls other than the Interest Period or Coupon Period falling at the end of the irregular Interest Period, or Coupon Period (as applicable).

"Regulation S" means Regulation S under the Securities Act.

"Relevant Clearing System(s)" means the clearing system(s) in which a Global Security for a Series or Tranche of Securities has been deposited as specified in the relevant Final Terms,

which may be Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, DTC, SIS, or any clearing system through which Securities in dematerialised form are cleared, including Euroclear France, Euroclear Sweden, VP, VPS and Euroclear Finland and, as the case may be, the clearing system or other appropriate method selected by the Issuer to effect the settlement and delivery of a Reference Asset in the case of an issue of Securities to which Physical Settlement applies.

"Relevant Currency" has the meaning given in the relevant Final Terms.

"Relevant Date" in respect of any Security, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holder that, upon further presentation of the Security, Receipt or Coupon being made in accordance with these General Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"Relevant Financial Centre" means, with respect to any Rate of Interest to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London.

"Relevant Jurisdiction" means the country in which the Guarantor or the Issuer (as applicable) is organised or incorporated or in which payments of any present or future tax, assessment or other governmental charge of whatever nature are regarded as being sourced or written or by any political subdivision or taxing authority thereof or therein.

"Relevant Member State" means each member state of the European Economic Area which has implemented the Prospectus Directive.

"Relevant Notes" means all Notes where the relevant Final Terms provide for a minimum Specified Denomination in the Specified Currency which is equivalent to at least EUR 50,000 and which are admitted to trading on a regulated market in the European Economic Area.

"Relevant Payment Jurisdiction" means the jurisdiction(s) specified in the relevant Final Terms.

"Relevant Programme Agent" means in respect of (i) Danish Notes, the Danish Programme Agent, (ii) Swedish Securities, the Swedish Programme Agent, (iii) Norwegian Securities, the Norwegian Programme Agent, (iv) Finnish Securities, the Finnish Programme Agent, (v) Swiss Securities, the Swiss Programme Agent, (vi) French Securities, the French Programme Agent, (vii) German Securities clearing through Clearstream Frankfurt, the German Programme Agent, (viii) German Securities clearing through Euroclear and/or Clearstream, Luxembourg, the Principal Programme Agent, (ix) Rule 144A Securities, the Principal Programme Agent, or (x) all other Securities, the Principal Programme Agent, and includes any successor or additional agent or any other agent identified as such in the relevant Final Terms.

"Relevant Rate" means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date.

"Relevant Record Date" means in respect of (i) Danish Notes, the Danish Record Date, (ii) Finnish Securities, the Finnish Record Date, (iii) Norwegian Securities, the Norwegian Record Date, (iv) Swedish Securities, the Swedish Record Date and (v) all other Registered Securities, the Record Date.

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the

Relevant Financial Centre and for this purpose "local time" means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 hours, Brussels Time.

"Renouncement Notice" has the meaning given in General Condition 10.2 (*Exercise Rights in respect of Italian Certificates*).

"Representative" has the meaning given in General Condition 23.3(a) (*Legal Personality*).

"Representative Amount" means, with respect to any Rate of Interest to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

"Residual Cash Amount" or **"Residual Cash Amounts"** means the amount or amounts specified as such in the relevant Final Terms.

"Rule 144A" means Rule 144A under the Securities Act.

"Rule 144A Certificates" means any Certificates which are specified to be Rule 144A Securities in the relevant Final Terms.

"Rule 144A Notes" means any Notes which are specified to be Rule 144A Securities in the relevant Final Terms.

"Rule 144A Securities" has the meaning given in General Condition 1.1(b)(viii) (*Rule 144A Securities*).

"Rule 144A Warrants" means any Warrants which are specified to be Rule 144A Securities in the relevant Final Terms.

"Scheduled Trading Day" has the meaning given in the Share Linked Provisions and the Index Linked Provisions, as applicable.

"Securities" has the meaning given in Part A (*Introduction*).

"Securities Act" means the U.S. Securities Act of 1933, as amended.

"Series" has the meaning given in Part A (*Introduction*).

"Settlement Amount" means the settlement amount specified as such in the relevant Final Terms.

"Settlement Cycle" has the meaning given in the Share Linked Provisions or the Index Linked Provisions, as applicable.

"Settlement Date" means, subject to General Condition 13.2 (*Payments on Payment Days*) and General Condition 15 (*Physical Delivery*) unless otherwise specified in the relevant Final Terms, and subject to there not having occurred a Settlement Disruption Event:

- (a) in relation to Reference Assets to be delivered in respect of an Exercise Date or Redemption Date, the date that falls one Settlement Cycle following that Exercise Date or Redemption Date (or, if such date is not a Clearing System Business Day, the next following Clearing System Business Day), unless a Settlement Disruption Event prevents delivery of such Reference Assets on that date. If a Settlement Disruption Event prevents delivery of a Reference Asset on that date, General Condition 15.6 (*Settlement Disruption Event*) shall apply; and
- (b) in relation to payment of the Settlement Amount or Redemption Amount, the date specified or otherwise determined as provided in the relevant Final Terms.

"Settlement Disruption Event" means an event beyond the control of the Issuer or any Hedging Entity (including illiquidity in the market for the relevant Reference Assets or any legal prohibition, or material restriction imposed by any law, order or regulation on the ability

of the Issuer or any Hedging Entity, to deliver the Reference Asset) as a result of which, in the opinion of the Calculation Agent (acting in good faith and in a commercially reasonable manner), delivery of the Reference Asset Amount by or on behalf of the Issuer, in accordance with these General Conditions and/or the relevant Final Terms is illegal or is not practicable, or as a result of which the Relevant Clearing System cannot clear the transfer of the relevant Reference Assets.

"Share" and **"Shares"** have the meaning given in the Share Linked Provisions.

"Share Linked Interest Notes" means any Notes in respect of which the "Variable Linked Interest Provisions" are specified to be applicable in the relevant Final Terms and the "Type of Interest" is designated as "Share Linked Interest".

"Share Linked Provisions" has the meaning given in Part A (*Introduction*).

"Share Linked Securities" means any Securities in respect of which the "Share Linked Provisions" are specified to be applicable in the relevant Final Terms.

"SIS" means SIX SIS AG, or any successor or replacement clearing system accepted by the SIX Swiss Exchange.

"Special Conditions" means, with respect to German Securities, the special conditions which form part of the Consolidated Conditions.

"Specific Product Provisions" has the meaning given in Part A (*Introduction*).

"Specified Coupon Period" means the period specified as such in the relevant Final Terms.

"Specified Currency" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Securities are denominated.

"Specified Denomination" means the denomination specified as such in the relevant Final Terms.

"Specified Duration" means, with respect to any Rate of Interest to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified as such in the relevant Final Terms or, if none is specified, a period of time equal to the relevant Interest Period, ignoring any adjustment pursuant to General Condition 13.1 (*Business Day Convention*).

"Swedish Certificates" means any Certificates which are specified to be Swedish Securities in the relevant Final Terms.

"Swedish CSD" means the Swedish central securities deposit (*central värdepappersförvarare*) (which is expected to be Euroclear Sweden).

"Swedish CSD Rules" means Swedish laws, regulations and operating procedures applicable to and/or issued by the Swedish CSD (which is expected to be Euroclear Sweden).

"Swedish Notes" means any Notes which are specified to be Swedish Securities in the relevant Final Terms.

"Swedish Programme Agent" means Swedbank AB (publ), or any successor or additional agent appointed in connection with the relevant Swedish Securities in accordance with the Agency Agreement.

"Swedish Record Date" has the meaning given in General Condition 6.2(f) (*Payments in respect of Swedish Notes*) in respect of Swedish Notes, the meaning given in General Condition 9.2(d)(iii) (*Record Date*) in respect of Swedish Certificates and the meaning given in General Condition 11.3(k)(iii) (*Record Date*) in respect of Swedish Warrants.

"Swedish Register" has the meaning given in General Condition 1.2(g) (*Title to Swedish Securities*).

"Swedish Registrar" means the Swedish CSD.

"Swedish Securities" has the meaning given in General Condition 1.1(b)(vi) (*Swedish Securities*).

"Swedish Warrants" means any Warrants which are specified to be Swedish Securities in the relevant Final Terms.

"Swiss Global Security" has the meaning given in General Condition 1.1(b)(vii) (*Swiss Securities*).

"Swiss Notes" means any Notes which are specified to be Swiss Securities in the relevant Final Terms.

"Swiss Programme Agent" means Credit Suisse AG, or any successor or additional agent appointed in connection with the Swiss Securities in accordance with the Agency Agreement.

"Swiss Register" means the register of Swiss Securities kept by the Swiss Registrar.

"Swiss Registrar" means Credit Suisse AG, or any successor appointed in accordance with the Agency Agreement.

"Swiss Securities" has the meaning given in General Condition 1.1(b)(vii) (*Swiss Securities*).

"Talons" means any talons for further Coupons.

"TARGET2" means the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) system or any successor thereto.

"TARGET2 Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro.

"Tax Termination Event" has the meaning given in General Condition 17.2 (*Tax Termination Event*).

"Temporary Bearer Global Security" has the meaning given in General Condition 1.1(a) (*Bearer Securities*).

"Temporary Global Security" means a Temporary Bearer Global Security and/or a Temporary Registered Global Security.

"Temporary Registered Global Security" has the meaning given in General Condition 1.1(b) (*Registered Securities*).

"Termination Event" has the meaning given in General Condition 17.1 (*Termination Event*).

"Tranche" has the meaning given in Part A (*Introduction*).

"Transfer Agent" means, in respect of Registered Securities (other than Swiss Securities) in definitive form, The Bank of New York Mellon.

"Treaty" means the Treaty establishing the European Community, as amended.

"United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"U.S. Person" means any person which is a **"U.S. Person"** as defined in Regulation S or a "United States person" as defined in section 7701(a)(30) of the Code and Treasury regulations thereunder.

"Valuation Date" means any date specified as such in the relevant Final Terms.

"**VP**" means the depository and clearing centre operated by VP Securities A/S or any successor or replacement thereto.

"**VP Rules**" means Danish laws, regulations and operating procedures applicable to and/or issued by the VP.

"**VPS**" means the Norwegian Central Securities Depository or any successor or replacement thereto.

"**VPS Register**" has the meaning given in General Condition 1.2(f) (*Title to Norwegian Securities*).

"**VPS Rules**" means Norwegian laws, regulations and operating procedures applicable to and/or issued by the VPS.

"**Warrant Account Notice**" means a notice (substantially in the form which can be obtained from the Relevant Programme Agent) stating the Relevant Clearing System account number and name of the person to whom the Reference Asset(s) is to be delivered (if any) and all other amounts payable by the Issuer in respect of the applicable Securities are to be paid.

"**Warrants**" has the meaning given in Part A (*Introduction*).

"**Zero Coupon Notes**" means any Notes in respect of which the "Zero Coupon Note Provisions" are specified to be applicable in the relevant Final Terms.

31.2 Interpretation

- (a) Capitalised terms used but not defined in these General Conditions will have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Securities of the relevant Series.
- (b) A reference to a "person" in these General Conditions includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.
- (c) A reference in these General Conditions to a provision of law is a reference to that provision as amended or re-enacted.
- (d) Part, General Condition and Specific Product Provision headings are for ease of reference only.
- (e) References in these General Conditions to a company or entity shall be deemed to include a reference to any successor or replacement thereto.
- (f) References in these General Conditions to matters which fall to be specified in the relevant Final Terms, shall in the case of German Securities, be specified in the Special Conditions applicable to the relevant Series of German Securities.

ANNEX 1

SHARE LINKED PROVISIONS

Contents of Annex 1

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The terms and conditions set out in this Annex 1 apply to Securities for which the relevant Final Terms specify that the Share Linked Provisions shall apply.

1. Consequences of Disrupted Days

1.1 Single Share and Reference Dates

Where the Securities relate to a single Share, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then the Reference Date shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day. In that case:

- (a) the last consecutive Scheduled Trading Day shall be deemed to be the Reference Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (b) shall be deemed to be the Closing Share Price in respect of the Reference Date.

1.2 Single Share and Averaging Reference Dates

Where the Securities relate to a single Share, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) **"Omission"**, then the Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates then the sole Averaging Reference Date for such Share shall be the first succeeding Scheduled Trading Day following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following such final Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the sole Averaging Reference Date, notwithstanding the fact that such day is a Disrupted Day; and
 - (ii) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the sole Averaging Reference Date;
- (b) **"Postponement"**, then the Averaging Reference Date shall be the first succeeding Scheduled Trading Day following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day (irrespective of whether that deferred Averaging Reference Date is already or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (ii) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be

deemed to be the Closing Share Price in respect of the relevant Averaging Reference Date; or

- (c) **"Modified Postponement"**, then the Averaging Reference Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the last consecutive Scheduled Trading Day equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date, then:
- (i) the last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (ii) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then, it shall be deemed that the consequence specified in "Modified Postponement" will apply.

1.3 Share Basket and Reference Dates

Where the Securities relate to a basket of Shares, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then:

- (a) the Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Reference Date; and
- (b) the Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day relating to that Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day relating to that Share. In that case:
 - (i) the last consecutive Scheduled Trading Day shall be deemed to be the Reference Date for the relevant Share, notwithstanding the fact that such day is a Disrupted Day; and
 - (ii) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Share Price in respect of the Reference Date.

1.4 Share Basket and Averaging Reference Dates

Where the Securities relate to a basket of Shares, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) **"Omission"**, then the Averaging Reference Date will be deemed not to be an Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates, then:
 - (i) the sole Averaging Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the final Scheduled Averaging Reference Date; and
 - (ii) the sole Averaging Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first

succeeding Scheduled Trading Day following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to that Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date is a Disrupted Day relating to that Share. In that case:

- (A) that last consecutive Scheduled Trading Day shall be deemed to be the sole Averaging Reference Date for the relevant Share, notwithstanding the fact that such day is a Disrupted Day; and
- (B) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the Closing Share Price in respect of the sole Averaging Reference Date;

(b) **"Postponement"**, then:

- (i) the Averaging Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
- (ii) the Averaging Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to that Share (irrespective of whether that deferred Averaging Reference Date is or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day relating to the Share. In that case:
 - (A) the last consecutive Scheduled Trading Day shall be deemed to be such Averaging Reference Date for the relevant Share (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the relevant Closing Share Price in respect of the relevant Averaging Reference Date; or

(c) **"Modified Postponement"**, then:

- (i) the Averaging Reference Date for each Share which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
- (ii) the Averaging Reference Date for each Share which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date relating to that Share. If the first succeeding Valid Date has not occurred as of the relevant Valuation Time on the last consecutive Scheduled Trading Day equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date:
 - (A) that last consecutive Scheduled Trading Day shall be deemed to be the Averaging Reference Date for the relevant Share (irrespective of whether that last consecutive Scheduled Trading Day is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and

- (B) the Calculation Agent shall determine its good faith estimate of the value for such Share as of the Valuation Time on that last consecutive Scheduled Trading Day, and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the Closing Share Price in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then, it shall be deemed that the consequence specified in "Modified Postponement" will apply.

2. **Fallback Valuation Date**

Notwithstanding any other terms of the Share Linked Provisions, if a Fallback Valuation Date is specified in the relevant Final Terms to be applicable to any Reference Date or Averaging Reference Date (any such date being, a "**Relevant Date**"), and if:

- (a) following adjustment of the original date on which such Relevant Date is scheduled to fall pursuant to either or both of Share Linked Provision 1 (*Consequences of Disrupted Days*) or Share Linked Provision 9 (*Definitions*), the Relevant Date in respect of a Share would otherwise fall after the specified Fallback Valuation Date in respect of the Share; or
- (b) the Maximum Days of Disruption for the Relevant Date is specified to be "Zero" or "None",

then the Fallback Valuation Date shall be deemed to be the Relevant Date for the Share. If the Fallback Valuation Date is not a Scheduled Trading Day or is a Disrupted Day relating to that Share, as the case may be, then the Calculation Agent shall determine its good faith estimate of the value for the Share as of the relevant Valuation Time on such Fallback Valuation Date and such determination by the Calculation Agent pursuant to this Share Linked Provision 2 shall be deemed to be the relevant Closing Share Price in respect of the Relevant Date.

3. **Correction of prices**

In the event that any price published on the Exchange on any date which is utilised for any calculation or determination in connection with the Securities is subsequently corrected and the correction is published by the Exchange by the earlier of

- (a) one Settlement Cycle after the original publication; and
- (b) the second Business Day prior to the next date on which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Securities may have to be made,

the Calculation Agent may determine the amount that is payable or deliverable or make any determination in connection with the Securities after taking into account such correction, and, to the extent necessary, may adjust any relevant terms of the Securities to account for such correction.

4. **Consequences of Potential Adjustment Events**

If the Calculation Agent determines that a Potential Adjustment Event has occurred in respect of a Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, the Calculation Agent will (i) make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of the Securities as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (ii) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on such options exchange.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders stating the adjustment to any amount payable under the Securities and/or any of the other

relevant terms and giving brief details of the Potential Adjustment Event, provided that any failure to give such notice shall not affect the validity of the Potential Adjustment Event or any action taken.

5. Consequences of Extraordinary Events

If the Calculation Agent determines that a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting has occurred in respect of a Share then, on or after the relevant Merger Date, Tender Offer Date or Announcement Date, as the case may be, the Calculation Agent may in its absolute discretion either:

- (a)
 - (i) make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for the economic effect on the Securities of such Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities), which may, but need not, be determined by reference to the adjustments(s) made in respect of such Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, by an options exchange to options on the relevant Shares traded on such options exchange; and
 - (ii) determine the effective date of that adjustment (but, in the case of a Tender Offer, the Share Issuer and the Share will not change); or
- (b) if "Share Substitution" is specified as being applicable in the relevant Final Terms, then the Calculation Agent may, in its sole and absolute discretion, select a new underlying share (in respect of the relevant Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, the "**Replacement Share**"), which Replacement Share will be deemed to be a Share in place of the Share which has been replaced by the Calculation Agent following such Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be (and the Share Issuer of the Replacement Share will replace the Share Issuer of the replaced Share), and the Calculation Agent may make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for the economic effect on the Securities of the Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, and/or the replacement of the replaced Share by the Replacement Share (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities). Any Replacement Share will, to the extent practicable, be selected from the same industry, have shares denominated in the same currency and have a similar market capitalisation to the relevant replaced Share; or
- (c) if the Calculation Agent determines that no adjustment that it could make under (a) or (if applicable) (b) will produce a commercially reasonable result, notify the Issuer and the Holders that the relevant consequence shall be the early redemption of the Securities, in which case on such date falling on or after the relevant Merger Date, Tender Offer Date or Announcement Date, as the case may be, as determined by the Calculation Agent, the Issuer shall redeem the Securities for an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted) of the Securities upon prior notice made to the Holders.

6. Consequences of Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, then the Calculation Agent shall, in its sole and absolute discretion,

- (a) make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for the economic effect on the Securities of such Additional Disruption Events (including adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities); or

- (b) determine and give notice to Holders that the Securities shall be redeemed on a date determined by the Calculation Agent, in which event the Issuer shall redeem the Securities and cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted) of the Securities.

7. **Partial Lookthrough Depository Receipt Provisions**

Where the relevant Final Terms specify that the "Partial Lookthrough Depository Receipt Provisions" shall apply to a Share, then the provisions set out below shall apply, and, in relation to such Share, the other provisions of the Share Linked Provisions shall be deemed to be amended and modified as set out in this Share Linked Provision 7.

- (a) The definition of "Potential Adjustment Event" shall be amended so that it reads as follows:

"Potential Adjustment Event" means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Shares and/or Underlying Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares and/or Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Shares and/or Underlying Shares of (i) such Shares and/or Underlying Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer or Underlying Shares Issuer, as appropriate, equally or proportionately with such payments to holders of such Shares and/or Underlying Shares, or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer or Underlying Shares Issuer, as appropriate, as a result of a spin-off or other similar transaction, or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) in respect of a Share and/or Underlying Share, an amount per Share and/or Underlying Share is determined by the Calculation Agent to be an extraordinary dividend;
- (iv) a call by the Share Issuer or Underlying Shares Issuer, as appropriate, in respect of relevant Shares and/or Underlying Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or Underlying Shares Issuer, as appropriate, or any of its subsidiaries of relevant Shares and/or Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Share Issuer or Underlying Shares Issuer, as appropriate, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer or Underlying Shares Issuer, as appropriate, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights;
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares and/or Underlying Shares; or
- (viii) the making of any amendment or supplement to the terms of the Deposit Agreement,

provided that an event under (i) to (vii) (inclusive) above in respect of the Underlying Shares shall not constitute a Potential Adjustment Event unless, in the opinion of the Calculation Agent, such event has a diluting or concentrative effect on the theoretical value of the Shares."

- (b) If the Calculation Agent determines that:
- (i) an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares; or
 - (ii) an event under (viii) of the definition of "Potential Adjustment Event" has occurred in respect of any Underlying Share, the Calculation Agent will determine whether such Potential Adjustment Event has an economic effect on the Securities;

and, in each case, the Calculation Agent will make the corresponding adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of the Securities as the Calculation Agent determines appropriate to account for (x) in respect of an event under (i) to (vii) (inclusive) of the definition of "Potential Adjustment Event", that diluting or concentrative effect, and (y) in respect of an event under (viii) of the definition of "Potential Adjustment Event", such economic effect on the Securities, as the case may be (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) following the Potential Adjustment Event. The Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement.

If the Calculation Agent determines that no adjustment that it could make will produce a commercially reasonable result, it shall notify the Issuer and the Holders that the relevant consequence shall be the early redemption of the Securities, in which case, on such date as selected by the Calculation Agent in its sole and absolute discretion, the Issuer shall redeem the Securities upon prior notice made to the Holders, and the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted) of the Securities.

- (c) The definitions of "Merger Event" and "Tender Offer" shall be amended in accordance with the DR Amendment.
- (d) If the Calculation Agent determines that a Merger Event or Tender Offer has occurred in respect of an Underlying Share, then where the Calculation Agent makes an adjustment to the Securities in connection with a Merger Event or Tender Offer, the Calculation Agent may (amongst other factors) have reference to any adjustment made by the Depository under the Deposit Agreement.
- (e) The definitions of Nationalisation, Insolvency and Delisting shall be amended in accordance with the DR Amendment.
- (f) Notwithstanding anything to the contrary in the definition of "Delisting", a Delisting shall not occur in respect of the Underlying Shares if the Underlying Shares are immediately re-listed, re-traded or re-quoted on an exchange or quotation system regardless of the location of such exchange or quotation system.
- (g) The definition of "Announcement Date" shall be amended so that it reads as follows:

"Announcement Date" means, in respect of (a) a Merger Event, the date of the first public announcement of a firm intention to engage in a transaction (whether or not subsequently amended) that leads to the Merger Event, (b) a Tender Offer, the date of the first public announcement of a firm intention to purchase or otherwise obtain the requisite number of voting shares (whether or not subsequently amended) that leads to the Tender Offer, (c) in the case of a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (d) in the case of an Insolvency,

the date of the first public announcement of the institution of a proceeding or presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, (e) in the case of a Delisting, the date of the first public announcement by the Exchange that the Shares will cease to be listed, traded or publicly quoted in the manner described in the definition of Delisting, and (f) in the case of a termination of the Deposit Agreement, the date of the first public announcement by the Depository that the Deposit Agreement is (or will be) terminated. In respect of any event, if the announcement of such event is made after the actual closing time for the regular trading session on the relevant Exchange, without regard to any after hours or any other trading outside of such regular trading session hours, the Announcement Date shall be deemed to be the next following Scheduled Trading Day."

- (h) The definition of "Insolvency Filing" shall be amended in accordance with the DR Amendment.

For the avoidance of doubt, where a provision is amended pursuant to this Share Linked Provision 7 in accordance with the DR Amendment, if the event described in such provision occurs in respect of the Underlying Shares or the Underlying Shares Issuer, then the consequence of such event shall be interpreted consistently with the DR Amendment and such event.

8. Adjustments to Securities linked to Shares in European Currencies

In respect of any Securities linked to or relating to Shares originally quoted, listed and/or dealt as of the Issue Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the EC Treaty, if such Shares are at any time after the Issue Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange or, where no Exchange is specified, the principal market on which those Shares are traded, then the Calculation Agent may make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to preserve the economic terms of the Securities. The Calculation Agent will make any conversion necessary for purposes of any such adjustment based on the relevant official conversion rate or at an appropriate mid-market spot rate of exchange determined by the Calculation Agent to be prevailing as of the Valuation Time, as determined to be appropriate in the sole and absolute discretion of the Calculation Agent. No adjustments under this Share Linked Provision 8 will affect the currency denomination of any payment obligation arising out of the Securities.

9. Definitions

The following terms and expressions shall have the following meanings in relation to Securities to which the Share Linked Provisions apply:

"Additional Disruption Events" means (a) a Change in Law, and (b) if Hedging Disruption and/or Insolvency Filing is specified in the relevant Final Terms to be applicable, a Hedging Disruption and/or Insolvency Filing (as the case may be) (each, an "Additional Disruption Event").

"Announcement Date" means, in respect of (a) a Merger Event, the date of the first public announcement of a firm intention to engage in a transaction (whether or not subsequently amended) that leads to the Merger Event, (b) a Tender Offer, the date of the first public announcement of a firm intention to purchase or otherwise obtain the requisite number of voting shares (whether or not subsequently amended) that leads to the Tender Offer, (c) in the case of a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (d) in the case of an Insolvency, the date of the first public announcement of the institution of a proceeding or presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency and (e) in the case of a Delisting, the date of the first public announcement by the Exchange that the Shares will cease to be listed, traded or publicly quoted in the manner described in the definition of Delisting. In respect of any event, if the announcement of such event is made after the actual closing time for the regular trading session on the relevant Exchange, without regard to any after hours or any other trading outside of such regular trading session hours, the Announcement Date shall be deemed to be the next following Scheduled Trading Day.

"Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Averaging Reference Date" means each Initial Averaging Date or Averaging Date, in each case, subject to adjustment in accordance with the Share Linked Provisions.

"Change in Law" means that, on or after the Issue Date of the Securities (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (x) it has become illegal to hold, acquire or dispose of Shares, or (y) the Hedging Entity will incur a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Clearance System" means, in respect of a Share, the principal domestic clearance system customarily used for settling trades in the relevant Share. If the Clearance System ceases to settle trades in such Share, the Clearance System will be determined by the Calculation Agent.

"Clearance System Business Day" means, in respect of a Clearance System and a Share, any day on which such Clearance System is (or, but for the occurrence of a Share Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"Closing Share Price" means, on any day in respect of a Share, the official closing price of such Share on the Exchange as of the Valuation Time on the relevant day, or if there is no official closing price, the mid-market price per such Share on the Exchange at the Valuation Time on such day, all as determined by the Calculation Agent subject as provided in the Share Linked Provisions.

"Delisting" means that the Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

"Deposit Agreement" means, in relation to the Shares, the agreements or other instruments constituting the Shares, as from time to time amended or supplemented in accordance with their terms.

"Depository" means, where the relevant Final Terms specify that the "Partial Lookthrough Depository Receipt Provisions" shall apply to a Share, the Share Issuer of the Shares.

"Disrupted Day" means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"DR Amendment" means, in respect of the definitions of Merger Event, Tender Offer, Nationalisation, Insolvency, Delisting and Insolvency Filing, that the following changes shall be made to such definition or provision: (a) all references to "Shares" shall be deleted and replaced with the words "Shares and/or the Underlying Shares"; and (b) all references to "Share Issuer" shall be deleted and replaced with the words "Share Issuer or Underlying Shares Issuer, as appropriate".

"Early Closure" means, in respect of a Share, the closure on any Exchange Business Day of the relevant Exchange relating to such Share or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange, as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (b) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution as at the relevant Valuation Time on such Exchange Business Day.

"Exchange" means, in respect of a Share, each exchange or quotation system specified as such in the relevant Final Terms for such Share, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated

(provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"Exchange Business Day" means, in respect of a Share, any Scheduled Trading Day for such Share on which each Exchange and each Related Exchange for such Share are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"Exchange Disruption" means, in respect of a Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"Extraordinary Events" mean a Merger Event, a Tender Offer, a Nationalisation, an Insolvency or a Delisting (each, an **"Extraordinary Event"**).

"Fallback Valuation Date" means, in respect of any Share, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Valuation Date in the relevant Final Terms, then the Fallback Valuation Date for any date on which the price of such Share is required to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the price of such Share on such day.

"Hedging Disruption" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Initial Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Initial Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Insolvency" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Share Issuer (a) all the Shares of that Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Share Issuer become legally prohibited from transferring them.

"Insolvency Filing" means that the Share Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.

"Interest Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Market Disruption Event" means, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

"Maximum Days of Disruption" means eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the relevant Final Terms.

"Merger Date" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"Merger Event" means, in respect of any relevant Shares, any (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event (a **"Reverse Merger"**), in each case if the Merger Date is on or before the final Reference Date or Averaging Reference Date, as is applicable.

"Nationalisation" means that all the Shares or all or substantially all the assets of an Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"Periodic Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Potential Adjustment Event" means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) such Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) in respect of a Share, an amount per Share is determined by the Calculation Agent to be an extraordinary dividend;
- (d) a call by the Share Issuer in respect of relevant Shares that are not fully paid;
- (e) a repurchase by the Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

- (g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

"Reference Date" means each Initial Valuation Date, Interest Valuation Date, Periodic Valuation Date or Valuation Date, in each case, subject to adjustment in accordance with the Share Linked Provisions.

"Related Exchange" means, in respect of any Share, each exchange or quotation system, if any, specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where **"All Exchanges"** is specified as the Related Exchange, **"Related Exchange"** shall mean each exchange or quotation system (as determined by the Calculation Agent) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Share.

"Relevant Date" has the meaning given in Share Linked Provision 2 (*Fallback Valuation Date*).

"Scheduled Averaging Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

"Scheduled Averaging Reference Date" means each Scheduled Averaging Date or Scheduled Initial Averaging Date.

"Scheduled Closing Time" means, in respect of a Share and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"Scheduled Initial Averaging Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Averaging Date.

"Scheduled Initial Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Valuation Date.

"Scheduled Interest Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Interest Valuation Date.

"Scheduled Periodic Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Periodic Valuation Date.

"Scheduled Reference Date" means each Scheduled Initial Valuation Date, Scheduled Interest Valuation Date, Scheduled Periodic Valuation Date or Scheduled Valuation Date.

"Scheduled Trading Day" means, in respect of a Share, any day on which each Exchange and each Related Exchange for the Share are scheduled to be open for trading for their respective regular trading sessions.

"Scheduled Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"Settlement Cycle" means, the period of Clearance System Business Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

"Share" means, subject to adjustment in accordance with the Share Linked Provisions, the share or shares specified as such in the relevant Final Terms and related expressions shall be construed accordingly.

"Share Issuer" means, in respect of a Share, the issuer of such Share.

"Share Settlement Disruption Event" means, in respect of a Share, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the relevant Clearance System cannot clear the transfer of such Share.

"Tender Offer" means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten per cent. and less than 100 per cent. of the outstanding voting shares of the Share Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

"Tender Offer Date" means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"Trading Disruption" means, in respect of a Share, any suspension of, or limitation imposed on, trading by the relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (a) relating to the Share on the relevant Exchange or (b) in futures or options contracts relating to the Share on any relevant Related Exchange.

"Underlying Shares" means the shares or other securities which are the subject of the Deposit Agreement.

"Underlying Shares Issuer" means the issuer of the Underlying Shares.

"Valid Date" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Reference Date does not or is not deemed to occur.

"Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

"Valuation Time" means the time specified in the relevant Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant day in relation to each Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

ANNEX 2**INDEX LINKED PROVISIONS****Contents of Annex 2**

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The terms and conditions set out in this Annex 2 apply to Securities for which the relevant Final Terms specify that the Index Linked Provisions shall apply.

1. Consequences of Disrupted Days

1.1 Single Index and Reference Dates

Where the Securities relate to a single Index, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then the Reference Date shall be the first succeeding Scheduled Trading Day in respect of the Index that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days in respect of the Index equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day. In that case:

- (a) the last consecutive Scheduled Trading Day in respect of the Index shall be deemed to be the Reference Date, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of the Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (b) shall be deemed to be the Closing Index Level in respect of the Reference Date.

1.2 Single Index and Averaging Reference Dates

Where the Securities relate to a single Index, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) "**Omission**", then the Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates then the sole Averaging Reference Date for the Index shall be the first succeeding Scheduled Trading Day in respect of the Index following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days in respect of the Index equal in number to the Maximum Days of Disruption immediately following such final Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day in respect of the Index shall be deemed to be the sole Averaging Reference Date for the Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of the Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Index Level in respect of the sole Averaging Reference Date;
- (b) "**Postponement**", then the Averaging Reference Date shall be the first succeeding Scheduled Trading Day in respect of the Index following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day (irrespective of whether that deferred Averaging Reference Date is already or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days in respect of the Index equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day. In that case:
 - (i) the last consecutive Scheduled Trading Day in respect of the Index shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive

Scheduled Trading Day in respect of the Index is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and

- (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of the Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Index Level in respect of the relevant Averaging Reference Date; or
- (c) **"Modified Postponement"**, then the Averaging Reference Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the last consecutive Scheduled Trading Day in respect of the Index equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date, then:
 - (i) that last consecutive Scheduled Trading Day in respect of the Index shall be deemed to be the Averaging Reference Date (irrespective of whether that last consecutive Scheduled Trading Day in respect of the Index is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (ii) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of the Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Closing Index Level in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then it shall be deemed that the consequence specified in "Modified Postponement" will apply.

1.3 Index Basket and Reference Dates

Where the Securities relate to a basket of Indices, and if the Calculation Agent determines that any Reference Date is a Disrupted Day, then:

- (a) the Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Reference Date; and
- (b) the Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day in respect of such Index that the Calculation Agent determines is not a Disrupted Day relating to that Index, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days in respect of such Index equal in number to the Maximum Days of Disruption immediately following the Scheduled Reference Date is a Disrupted Day relating to that Index. In that case:
 - (i) the last consecutive Scheduled Trading Day in respect of such Index shall be deemed to be the Reference Date for the Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (ii) the Calculation Agent shall determine the level of such Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of such Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the relevant Closing Index Level in respect of the Reference Date.

1.4 Index Basket and Averaging Reference Dates

Where the Securities relate to a basket of Indices, and if the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, in the relevant Final Terms the consequence specified is:

- (a) **"Omission"**, then the Averaging Reference Date will be deemed not to be an Averaging Reference Date, provided that, if through the operation of this provision there would be no Averaging Reference Dates, then:
 - (i) the sole Averaging Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the final Scheduled Averaging Reference Date; and
 - (ii) the sole Averaging Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day in respect of such Index following the final Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to such Index, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days in respect of such Index equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date is a Disrupted Day relating to that Index. In that case:
 - (A) that last consecutive Scheduled Trading Day in respect of such Index shall be deemed to be the sole Averaging Reference Date for such Index, notwithstanding the fact that such day is a Disrupted Day; and
 - (B) the Calculation Agent shall determine the level of such Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of such Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the relevant Closing Index Level in respect of the sole Averaging Reference Date;
- (b) **"Postponement"**, then:
 - (i) the Averaging Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
 - (ii) the Averaging Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day in respect of such Index following the Scheduled Averaging Reference Date that the Calculation Agent determines is not a Disrupted Day relating to that Index (irrespective of whether that deferred Averaging Reference Date is or is deemed to be another Averaging Reference Date), unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days in respect of such Index equal in number to the Maximum Days of Disruption immediately following the Scheduled Averaging Reference Date is a Disrupted Day relating to such Index. In that case:
 - (A) the last consecutive Scheduled Trading Day in respect of such Index shall be deemed to be such Averaging Reference Date for the Index (irrespective of whether that last consecutive Scheduled Trading Day in respect of such Index is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine the level of such Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of such Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*),

and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the relevant Closing Index Level in respect of the relevant Averaging Reference Date; or

(c) **"Modified Postponement"**, then:

- (i) the Averaging Reference Date for each Index which the Calculation Agent determines is not affected by the occurrence of a Disrupted Day shall be the Scheduled Averaging Reference Date; and
- (ii) the Averaging Reference Date for each Index which the Calculation Agent determines is affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date relating to such Index. If the first succeeding Valid Date has not occurred as of the relevant Valuation Time on the last consecutive Scheduled Trading Day in respect of such Index equal in number to the Maximum Days of Disruption immediately following the final Scheduled Averaging Reference Date:
 - (A) that last consecutive Scheduled Trading Day in respect of such Index shall be deemed to be the Averaging Reference Date for such Index (irrespective of whether that last consecutive Scheduled Trading Day in respect of such Index is already or is deemed to be another Averaging Reference Date or is a Disrupted Day); and
 - (B) the Calculation Agent shall determine the relevant level of such Index as of the Valuation Time on that last consecutive Scheduled Trading Day in respect of such Index in accordance with Index Linked Provision 1.5 (*Formula for and method of calculating an Index level after the Maximum Days of Disruption*), and such determination by the Calculation Agent pursuant to this paragraph (B) shall be deemed to be the relevant Closing Index Level in respect of the relevant Averaging Reference Date.

If the Calculation Agent determines that any Averaging Reference Date is a Disrupted Day and, if in the relevant Final Terms no consequence is specified, then it shall be deemed that the consequence specified in "Modified Postponement" will apply.

1.5 **Formula for and method of calculating an Index level after the Maximum Days of Disruption**

The Calculation Agent shall determine the level of the Index as of the relevant Valuation Time on the relevant last consecutive Scheduled Trading Day, pursuant to Index Linked Provisions 1.1(b), 1.2(a)(ii), 1.2(b)(ii), 1.2(c)(ii), 1.3(b)(ii), 1.4(a)(ii)(B), 1.4(b)(ii)(B) and 1.4(c)(ii)(B), in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the relevant first Disrupted Day, using:

- (a) in respect of a Unitary Index or Multi-Exchange Index, the Exchange traded or quoted price as of the Valuation Time on the last consecutive Scheduled Trading Day of each Component comprised in the Index (or, if an event giving rise to a Share Disrupted Day has occurred in respect of any relevant Component that is a Share (or an analogous event has occurred in respect of any relevant Component that is not a Share) on such last consecutive Scheduled Trading Day for any relevant Component, or such last consecutive Scheduled Trading Day is not a Scheduled Trading Day for any relevant Component, as determined by the Calculation Agent, its good faith estimate of the value for the relevant Component as of the Valuation Time on the last consecutive Scheduled Trading Day); and
- (b) in respect of a Proprietary Index, such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on that last consecutive Scheduled Trading Day of each Component comprised in the Index.

2. **Fallback Valuation Date**

Notwithstanding any other terms of the Index Linked Provisions, if a Fallback Valuation Date is specified in the relevant Final Terms to be applicable to any Reference Date or Averaging Reference Date (any such date being, a "**Relevant Date**"), and if:

- (a) following adjustment of the original date on which such Relevant Date is scheduled to fall pursuant to adjustment of the Relevant Date pursuant to (i) either or both of Index Linked Provision 1 (*Consequences of Disrupted Days*) or (ii) Index Linked Provision 7 (*Definitions*), the Relevant Date in respect of an Index would otherwise fall after the specified Fallback Valuation Date in respect of the Index; or
- (b) the Maximum Days of Disruption for the Relevant Date is specified to be "Zero" or "None",

then the Fallback Valuation Date shall be deemed to be the Relevant Date for the Index. If the Fallback Valuation Date is not a Scheduled Trading Day or is a Disrupted Day relating to that Index, as the case may be, then the Calculation Agent shall determine the Closing Index Level as of the Valuation Time on the Fallback Valuation Date in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first day that is not a Scheduled Trading Day or is a Disrupted Day, using:

- (y) in respect of any Unitary Index or Multi-Exchange Index, the Exchange traded or quoted price as of the Valuation Time on the Fallback Valuation Date of each Component comprised in the Index (or, if an event giving rise to a Share Disrupted Day has occurred in respect of any relevant Component that is a Share (or an analogous event has occurred in respect of any relevant Component that is not a Share) on such Fallback Valuation Date or such Fallback Valuation Date is not a Scheduled Trading Day for any relevant Component, as determined by the Calculation Agent, its good faith estimate of the value for the relevant Component as of the relevant Valuation Time on the Fallback Valuation Date); and
- (z) in respect of any Proprietary Index, such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Fallback Valuation Date of each Component comprised in the Index,

and such determination by the Calculation Agent pursuant to this Index Linked Provision 2 shall be deemed to be the relevant Closing Index Level in respect of the Relevant Date.

If the level of a Proprietary Index in respect of a Relevant Date is scheduled to be published on a day other than such Relevant Date, and such level of the Proprietary Index is not published as of the Valuation Time on the Fallback Valuation Date, then the Calculation Agent shall determine the level of the Proprietary Index as of the Valuation Time on the Fallback Valuation Date in accordance with the formula for and method of calculating the Proprietary Index last in effect prior to the occurrence of the first day that is not a Scheduled Trading Day or is a Disrupted Day, using such levels or values as the Calculation Agent determines to be appropriate as of the Valuation Time on the Fallback Valuation Date of each Component comprised in such Proprietary Index. Such determination by the Calculation Agent pursuant to this Index Linked Provision 2 shall be deemed to be the relevant level of the Proprietary Index in respect of the Relevant Date.

3. **Correction of Index levels**

In the event that any relevant level of an Index published by the Index Sponsor on any date which is utilised for any calculation or determination in connection with the Securities is subsequently corrected and the correction is published by the Index Sponsor:

- (a) by the second Business Day prior to the next date on which any relevant payment may have to be made by the Issuer or in respect of which any relevant determination in respect of the Securities may have to be made; or
- (b) if earlier and if the Index is a Unitary Index or Multi-Exchange Index, one Settlement Cycle after the original publication,

then the Calculation Agent may determine the amount that is payable or deliverable or make any determination in connection with the Securities, after taking into account such correction, and, to the extent necessary, may adjust any relevant terms of the Securities to account for such correction.

4. **Consequences of Successors and Index Adjustment Events**

4.1 **Consequences of a Successor Index Sponsor or a Successor Index**

If an Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent (a "**Successor Index Sponsor**") or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of such Index, then in each case such index (the "**Successor Index**") will be deemed to be the Index.

The Calculation Agent may make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Securities to account for such successor.

4.2 **Consequences of an Index Adjustment Event**

If an Index Adjustment Event has occurred, as determined by the Calculation Agent, the Calculation Agent will determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant level of the Index using, in lieu of a published level for such Index, the level for such Index as at the relevant Reference Date or Averaging Reference Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating such Index last in effect prior to the relevant Index Adjustment Event, but using only those Components that comprised such Index immediately prior to such Index Adjustment Event.

If the Calculation Agent determines, in its sole and absolute discretion, that it is not reasonably practicable (taking into account the costs involved) to calculate or continue to calculate the Index pursuant to the preceding paragraph, the Calculation Agent may rebase the Securities against another index or basket of indices, as applicable, determined by the Calculation Agent to be comparable to the relevant Index, and, following such rebasing, the Calculation Agent will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Securities to account for such rebasing.

If the Calculation Agent determines, in its sole and absolute discretion, that there is not such an index or basket of indices comparable to the relevant Index, and/or that application of the preceding paragraphs would not achieve a commercially reasonable result, the Calculation Agent may determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*)), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted).

On making any such adjustment(s) or determination(s), the Calculation Agent shall give notice as soon as practicable to the Holders stating the adjustment to any amount payable under the Securities, the determination and/or any of the other relevant terms and giving brief details of the Index Adjustment Event, provided that any failure to give such notice shall not affect the validity of the Index Adjustment Event or any action taken.

5. **Consequences of an Additional Disruption Event**

Following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Calculation Agent may, in its sole and absolute discretion:

- (a) determine to make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for such Additional Disruption Event; and/or
- (b) determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment

Amount (as defined in General Condition 31.1 (*Definitions*), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted).

6. Index Disclaimer

The Securities are not sponsored, endorsed, sold, or promoted by the Index or the Index Sponsor and no Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Securities. The Issuer and the Guarantor (if any) shall have no liability to the Holders for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment, or maintenance of the Index. Except as may be disclosed prior to the Issue Date and specified in the relevant Final Terms, none of the Issuer, the Guarantor (if any), the Calculation Agent or any of their respective affiliates has any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition, or dissemination of the Index. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty, or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, the Guarantor (if any), their affiliates, or the Calculation Agent as to the accuracy, completeness, and timeliness of information concerning the Index.

7. Definitions

The following terms and expressions shall have the following meanings in relation to Securities to which the Index Linked Provisions apply:

"Additional Disruption Event" means (a) a Change in Law, and, (b) if Hedging Disruption is specified in the relevant Final Terms to be applicable, a Hedging Disruption.

"Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms, or if such date is not a Scheduled Trading Day in respect of the Index, the next following Scheduled Trading Day in respect of the Index.

"Averaging Reference Date" means each Initial Averaging Date or Averaging Date.

"Change in Law" means that, on or after the Issue Date of the Securities (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (x) it has become illegal to hold, acquire or dispose of Components, or (y) the Hedging Entity will incur a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Closing Index Level" means, on any day in respect of an Index, the official closing level of such Index as of the Valuation Time on the relevant day as calculated and published by the relevant Index Sponsor or as otherwise determined by the Calculation Agent subject as provided in the Index Linked Provisions.

"Component" means, in respect of an Index, any share, security, commodity, rate, index or other component included in such Index, as determined by the Calculation Agent.

"Component Clearance System" means, in respect of a Component of an Index, the principal domestic clearance system customarily used for settling trades in the relevant Component. If the Clearance System ceases to settle trades in such Component, the Clearance System will be determined by the Calculation Agent.

"Component Clearance System Business Day" means, in respect of a Component Clearance System, any day on which such Component Clearance System is (or, but for the occurrence of an Index

Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"Disrupted Day" means, either:

- (a) for any Unitary Index, any Scheduled Trading Day on which (i) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or (ii) a Market Disruption Event has occurred;
- (b) for any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption), (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred; and
- (c) for any Proprietary Index, any Scheduled Trading Day on which a Market Disruption Event has occurred (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Index Disruption).

"Early Closure" means:

- (a) for any Unitary Index, the closure on any Exchange Business Day of any relevant Exchange relating to Components that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; and
- (b) for any Multi-Exchange Index, the closure on any Exchange Business Day of any relevant Exchange relating to any Component or any Related Exchange prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

"Exchange" means:

- (a) for any Unitary Index, each exchange or quotation system specified as such in the relevant Final Terms for the Index, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Components underlying the Index on such temporary substitute exchange or quotation system as on the original Exchange);
- (b) for any Multi-Exchange Index and any Component underlying the Index, the principal stock exchange on which such Component of the Index is, in the determination of the Calculation Agent, principally traded; and
- (c) for any Component which is a Share, the principal stock exchange on which such Component share is, in the determination of the Calculation Agent, principally traded.

"Exchange Business Day" means:

- (a) for any Unitary Index, any Scheduled Trading Day on which each Exchange and each Related Exchange for the Index are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange for the Index closing prior to its Scheduled Closing Time; and

- (b) for any Multi-Exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor calculates and publishes the level of the Index and (ii) the Related Exchange for the Index is open for trading during its regular trading session, notwithstanding the Related Exchange for the Index closing prior to its Scheduled Closing Time.

"Exchange Disruption" means:

- (a) for any Unitary Index, any event (other than an Early Closure) that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants in general to effect transactions in, or obtain market values for, (i) the Components on any relevant Exchange(s) that comprise 20 per cent. or more of the level of the Index or (ii) futures or options contracts relating to the Index on any relevant Related Exchange; and
- (b) for any Multi-Exchange Index, any event (other than an Early Closure) that disrupts or impairs, as determined by the Calculation Agent, the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component on the relevant Exchange in respect of such Component or (ii) futures or options contracts relating to the Index on the relevant Related Exchange.

"Fallback Valuation Date" means, in respect of any Index, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Valuation Date in the relevant Final Terms, then the Fallback Valuation Date for any date on which the level of the Index is required to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the level of the Index on such day.

"Hedging Disruption" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Index" and **"Indices"** mean, subject to adjustment in accordance with the Index Linked Provisions, the index or indices specified as such in the relevant Final Terms, and related expressions shall be construed accordingly.

"Index Adjustment Event" means an Index Cancellation, an Index Disruption or an Index Modification.

"Index Cancellation" means the occurrence of the relevant Index Sponsor or Successor Index Sponsor, as applicable, on or prior to any Reference Date, Averaging Reference Date or any other relevant date, permanently cancelling a relevant Index and no Successor Index existing as at the date of such cancellation, as determined by the Calculation Agent.

"Index Disruption" means the occurrence of the relevant Index Sponsor or Successor Index Sponsor, as applicable, on any Reference Date, Averaging Reference Date or any other relevant date, failing to calculate and announce a relevant Index level, as determined by the Calculation Agent, provided that, in respect of a Multi-Exchange Index or a Proprietary Index, the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of a Disrupted Day.

"Index Modification" means the occurrence of the relevant Index Sponsor or Successor Index Sponsor, as applicable, on or prior to any Reference Date, Averaging Reference Date or any other relevant date, making or announcing that it will make a material change in the formula for, or the method of, calculating a relevant Index, or in any other way materially modifying such Index (other than a modification prescribed in that formula or method to maintain such Index in the event of changes in the Components, capitalisation and/or other routine events), as determined by the Calculation Agent.

"Index Settlement Disruption Event" means, in respect of a Component of an Index, an event that the Calculation Agent determines is beyond the control of the Issuer and/or its affiliates as a result of which the relevant Component Clearance System cannot clear the transfer of such Component.

"Index Sponsor" means, for any Index, the entity specified as such in the relevant Final Terms, and, if not specified, the corporation or other entity that, as determined by the Calculation Agent (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index, and (b) announces (directly or through an agent) the level of such Index on a regular basis in respect of each Scheduled Trading Day.

"Initial Averaging Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day in respect of the Index, the next following Scheduled Trading Day in respect of the Index.

"Initial Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day in respect of the Index, the next following Scheduled Trading Day in respect of the Index.

"Interest Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day in respect of the Index, the next following Scheduled Trading Day in respect of the Index.

"Market Disruption Event" means:

- (a) for any Unitary Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of a Unitary Index exists at any time, if a Market Disruption Event occurs in respect of a Component included in the Index at any time, then the relevant percentage contribution of such Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to such Component and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event;

- (b) for any Multi-Exchange Index, either:
 - (i) (I) the occurrence or existence, in respect of any Component, of:
 - (A) a Trading Disruption in respect of such Component, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;
 - (B) an Exchange Disruption in respect of such Component, which the Calculation Agent determines is material at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; or
 - (C) an Early Closure in respect of such Component; and
 - (II) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Multi-Exchange Index; or
 - (ii) the occurrence or existence, in each case in respect of futures or options contracts relating to the Index, of (A) a Trading Disruption or (B) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange, or (C) an Early Closure.

For the purposes of determining whether a Market Disruption Event in respect of a Multi-Exchange Index exists at any time, if an Early Closure, an Exchange Disruption, or a Trading Disruption occurs in respect of a Component at that time, then the relevant percentage contribution of such Component to the level of the Index shall be based on a comparison of (x)

the portion of the level of the Index attributable to that Component and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event; and

- (c) for any Proprietary Index, the failure by the Index Sponsor to calculate and publish the level of the Index on any Scheduled Trading Day or in respect of such Scheduled Trading Day within the scheduled timeframe for publication.

"Maximum Days of Disruption" means eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the relevant Final Terms.

"Multi-Exchange Index" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"Periodic Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day in respect of the Index, the next following Scheduled Trading Day in respect of the Index.

"Proprietary Index" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"Reference Date" means each Initial Valuation Date, Interest Valuation Date, Periodic Valuation Date or Valuation Date, in each case, subject to adjustment in accordance with the Index Linked Provisions.

"Related Exchange" means:

- (a) for any Unitary Index or Multi-Exchange Index, each exchange or quotation system, if any, specified as such in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that where **"All Exchanges"** is specified as the Related Exchange, **"Related Exchange"** shall mean each exchange or quotation system (as determined by the Calculation Agent) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index; and
- (b) for any Component which is a Share, each exchange or quotation system where trading has a material effect on the overall market for futures or options contracts relating to the Component share (as determined by the Calculation Agent).

"Relevant Date" has the meaning given in Index Linked Provision 2 (*Fallback Valuation Date*).

"Scheduled Averaging Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Averaging Date.

"Scheduled Averaging Reference Date" means each Scheduled Averaging Date or Scheduled Initial Averaging Date.

"Scheduled Closing Time" means, in respect of an Index and in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"Scheduled Initial Averaging Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Averaging Date.

"Scheduled Initial Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Initial Valuation Date.

"Scheduled Interest Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Interest Valuation Date.

"Scheduled Periodic Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Periodic Valuation Date.

"Scheduled Reference Date" means each Scheduled Initial Valuation Date, Scheduled Interest Valuation Date, Scheduled Periodic Valuation Date or Scheduled Valuation Date.

"Scheduled Trading Day" means in respect of:

- (a) any Unitary Index, any day on which each Exchange and each Related Exchange for the Index are scheduled to be open for trading for their respective regular trading sessions;
- (b) any Multi-Exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange for the Index is scheduled to be open for trading for its regular trading session;
- (c) any Proprietary Index, any day on, or, as the case may be, in respect of, which the Index Sponsor is scheduled to publish the level of such Index;
- (d) any Component which is a Share, any day on which each Exchange and each Related Exchange for such Component are scheduled to be open for trading for their respective regular trading sessions; and
- (e) any Component which is not a Share, any day on which the value, level or price, as is applicable, is scheduled to be published or disseminated, or is otherwise scheduled to be available.

"Scheduled Valuation Date" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"Settlement Cycle" means, the period of Component Clearance System Business Days following a trade in the Components underlying the relevant Index on the Exchange in which settlement will customarily occur according to the rules of such Exchange (or, if there are multiple Exchanges in respect of an Index, the longest such period).

"Share" means, in respect of an Index, any share included in such Index, as determined by the Calculation Agent.

"Share Disrupted Day" means in respect of a Component which is a Share, any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which (a) a Trading Disruption, (b) an Exchange Disruption which in either case the Calculation Agent determines is material, at any time during the one-hour period which ends at the relevant Valuation Time or (c) an Early Closure has occurred in respect of such Component.

"Successor Index" has the meaning given in Index Linked Provision 4.1 (*Successor Index Sponsor or Successor Index*).

"Successor Index Sponsor" has the meaning given in Index Linked Provision 4.1 (*Successor Index Sponsor or Successor Index*).

"Trading Disruption" means:

- (a) in respect of any Unitary Index, any suspension of, or limitation imposed on, trading by any relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to Components that comprise 20 per cent. or more of the level of the Index on any relevant Exchange or (ii) in futures or options contracts relating to the Index on any relevant Related Exchange; and

- (b) in respect of any Multi-Exchange Index, any suspension or limitation imposed on trading by any relevant Exchange or Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to any Component on the Exchange in respect of such Component or (ii) in futures or options contracts relating to the Index on the Related Exchange.

"Unitary Index" means any Index which is specified as such in the relevant Final Terms, or, if not specified, any Index the Calculation Agent determines as such.

"Valid Date" means a Scheduled Trading Day in respect of the Index that is not a Disrupted Day and on which another Averaging Reference Date does not or is not deemed to occur.

"Valuation Date" means each date specified as such or otherwise determined as provided in the relevant Final Terms or, if such date is not a Scheduled Trading Day in respect of the Index, the next following Scheduled Trading Day in respect of the Index.

"Valuation Time" means:

- (a) in respect of any Unitary Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Exchange, the Scheduled Closing Time of the Exchange (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on such Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
- (b) in respect of any Multi-Exchange Index, (i) for the purposes of determining whether an Early Closure, an Exchange Disruption or a Trading Disruption has occurred in respect of (I) any Component, the Scheduled Closing Time on the Exchange in respect of such Component (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time), and (II) any options contracts or futures contracts on the Index, the close of trading on the Related Exchange, and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; and
- (c) in respect of any Proprietary Index, the time at which the Index Sponsor calculates and publishes the official closing level of the Index.

ANNEX 3**COMMODITY LINKED PROVISIONS****Contents of Annex 3**

- 1. Market Disruption Events and Disruption Fallbacks (other than in respect of a Commodity Index)**
 - 1.1 Consequence of a Market Disruption Event
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 - 1.3 Applicability of Disruption Fallbacks
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The terms and conditions set out in this Annex 3 apply to Securities for which the relevant Final Terms specify that the Commodity Linked Provisions shall apply.

1. Market Disruption Events and Disruption Fallbacks (other than in respect of a Commodity Index)

1.1 Consequence of a Market Disruption Event

If the Calculation Agent determines that a Market Disruption Event has occurred or exists on any Pricing Date (or, if different, the day on which the price for such Pricing Date would, in the ordinary course, be published or announced by the Price Source), the Commodity Reference Price for such Pricing Date will be determined by the Calculation Agent in accordance with the first applicable Disruption Fallback (applied in accordance with Commodity Linked Provision 1.3 (*Applicability of Disruption Fallbacks*)) that provides a Commodity Reference Price.

1.2 Applicability of Market Disruption Events

- (a) Subject to (b) and (c) below, a Market Disruption Event is applicable in respect of a Commodity if it is specified in the relevant Final Terms and, if one or more Market Disruption Events are specified in the relevant Final Terms, then only those Market Disruption Events will apply.
- (b) In respect of all Commodities (other than Bullion), if no Market Disruption Event is specified in the relevant Final Terms, the following Market Disruption Events will be deemed to have been specified and be applicable:
 - (i) Disappearance of Commodity Reference Price;
 - (ii) Material Change in Content;
 - (iii) Material Change in Formula;
 - (iv) Price Source Disruption; and
 - (v) Trading Disruption.
- (c) In respect of Bullion, if no Market Disruption Event is specified in the relevant Final Terms, the following Market Disruption Events will be deemed to have been specified and be applicable:
 - (i) Disappearance of Commodity Reference Price;
 - (ii) Price Source Disruption; and
 - (iii) Trading Disruption.

1.3 Applicability of Disruption Fallbacks

A Disruption Fallback is applicable if it is specified in the relevant Final Terms or, if no Disruption Fallback is specified in the relevant Final Terms, the following Disruption Fallbacks will be deemed to have been specified and be applicable (in the following order):

- (a) Fallback Reference Price (if an alternate Commodity Reference Price has been specified in the relevant Final Terms);
- (b) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days (or Bullion Business Days in respect of Bullion) as the applicable Maximum Days of Disruption) provided, however, that the price determined by Postponement shall be the Commodity Reference Price only if Delayed Publication or Announcement does not yield a Commodity Reference Price within the Maximum Days of Disruption;
- (c) Fallback Reference Dealers; and

(d) Calculation Agent Determination.

If any Disruption Fallbacks are specified in the relevant Final Terms, unless otherwise provided in the Final Terms, then only that or those (as the case may be) Disruption Fallbacks shall apply and if two or more Disruption Fallbacks are specified, those Disruption Fallbacks shall apply in the order as specified in the relevant Final Terms, such that if the Calculation Agent determines that the Commodity Reference Price cannot be determined by applying a Disruption Fallback, then the next Disruption Fallback specified shall apply.

2. Consequences of Market Disruption Events (in respect of a Commodity Index)

If a Market Disruption Event has occurred on any Pricing Date in respect of a Commodity Index, the Closing Commodity Index Level of the Commodity Index for such Pricing Date shall be determined by the Calculation Agent using the then-current method for calculating the Index, but based on and by reference to the relevant closing prices of each futures contract included in such Commodity Index as follows:

- (a) in respect of each futures contract included in the Commodity Index which is not affected by the Market Disruption Event on such Pricing Date, the closing price of such futures contract will be that announced or published by the applicable exchange on such Pricing Date; and
- (b) in respect of each futures contract included in the Commodity Index which is affected by the Market Disruption Event on such Pricing Date, the closing price of such futures contract will be based on the closing price of such contract on the first Futures Trading Day following such Pricing Date on which such futures contract is not affected by a Market Disruption Event.

If a Fallback Pricing Date is specified in the relevant Final Terms to be applicable to any Pricing Date for a Commodity Index, and if:

- (i) following adjustment of such Pricing Date on account of the Scheduled Pricing Date not being a Trading Day, the Pricing Date would otherwise fall after the specified Fallback Pricing Date, then such Fallback Pricing Date shall be deemed to be such Pricing Date for such Commodity Index. If such Fallback Pricing Date is not a Trading Day for the Commodity Index, then the Calculation Agent will determine the Closing Commodity Index Level, taking into consideration the latest available level of the Commodity Index and any other information that in good faith it deems relevant of such Commodity Index on such Fallback Pricing Date, and such determination by the Calculation Agent pursuant to this Commodity Linked Provision 2 shall be deemed to be the Closing Commodity Index Level for such Commodity Index in respect of the relevant Pricing Date; and/or
- (ii) the closing price of a futures contract comprised in the Commodity Index would otherwise be used for the purposes of determining the Closing Commodity Index Level above after the specified Fallback Pricing Date following the adjustment set out in paragraph (b) above, then the closing price of such futures contract will instead be taken on such Fallback Pricing Date, and such closing price for the Fallback Pricing Date will be determined by the Calculation Agent, taking into consideration the latest available closing price for the such futures contract, and any other information that in good faith it deems relevant.

3. Common Pricing

Where the Securities relate to a basket of Commodities and, if "Common Pricing" is specified in the relevant Final Terms as "Applicable" then no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced, as determined by the Calculation Agent.

4. Correction to Published Prices

In the event that any price or value published or announced on any date which is utilised for any calculation or determination in connection with the Securities is subsequently corrected and the

correction is published or announced by the person responsible for that publication or announcement by the earlier of:

- (a) 30 calendar days after the original publication or announcement; and
- (b) the second Business Day prior to the next date upon which any relevant payment or delivery may have to be made by the Issuer or in respect of which any relevant determination in respect of the Securities may have to be made,

then the Calculation Agent may determine the amount that is payable or deliverable or make any determination in connection with Securities, after taking into account such correction, and, to the extent necessary, may adjust any relevant terms of the Securities to account for such correction.

5. Fallback Pricing Dates

In respect of a Commodity, and notwithstanding any other terms of the Commodity Linked Provisions applicable to a Commodity, if a Fallback Pricing Date is specified in the relevant Final Terms to be applicable to any Pricing Date and if, following adjustment of the original date on which the Pricing Date was scheduled to fall pursuant to the applicable Commodity Business Day Convention (or Bullion Business Day Convention) or, following the application of a Disruption Fallback pursuant to Commodity Linked Provision 1 (*Market Disruption Events and Disruption Fallbacks (other than in respect of a Commodity Index)*) or adjustment of the Pricing Date pursuant to Commodity Linked Provision 3 (*Common Pricing*), the determination of a Commodity Reference Price, or the Pricing Date in respect of a Commodity, as applicable, would otherwise fall after the specified Fallback Pricing Date in respect of the Commodity, then the Fallback Pricing Date shall be deemed to be the Pricing Date for the Commodity.

If the Fallback Pricing Date is not a Commodity Business Day (or a Bullion Business Day), the Commodity Reference Price of such Commodity shall be subject to Calculation Agent Determination on such Fallback Pricing Date, and such determination by the Calculation Agent pursuant to this Commodity Linked Provision 5 shall be deemed to be the Commodity Reference Price in respect of the relevant Pricing Date.

6. Adjustments to a Commodity Index

- (a) In respect of a Commodity Index, if the Commodity Index is permanently cancelled or is not calculated and announced by the Commodity Index Sponsor but is (i) calculated and announced by a successor sponsor (the "**Successor Sponsor**") acceptable to the Calculation Agent, and/or (ii) replaced by a successor index (the "**Successor Index**") using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Commodity Index, then the Commodity Index will be deemed to be the index so calculated and announced by that Successor Sponsor and/or that Successor Index, as the case may be.
- (b) In respect of a Commodity Index, if, on or prior to a Pricing Date, (i) the Commodity Index Sponsor makes a material change in the formula for or the method of calculating the Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (ii) the Commodity Index Sponsor permanently cancels the Commodity Index, or (iii) the Commodity Index Sponsor fails to calculate and announce the Commodity Index and the Calculation Agent determines that there is no Successor Sponsor and/or Successor Index, then the Calculation Agent may at its option (in the case of (i)) and shall (in the case of such (ii) and (iii)) (such events (i) (ii) and (iii) to be collectively referred to as "**Commodity Index Adjustment Events**") calculate the Closing Commodity Index Level for the applicable Pricing Date in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Commodity Index Adjustment Event, but using only those futures contracts that comprised that Commodity Index immediately prior to the relevant Commodity Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange).

- (c) If the Calculation Agent determines, in its sole and absolute discretion, that it is not reasonably practicable (taking into account the costs involved) to calculate or continue to calculate the Commodity Index pursuant to the preceding paragraph, the Calculation Agent may rebase the Securities against another index or basket of indices, as applicable, determined by the Calculation Agent to be comparable to the relevant Commodity Index, and, following such rebasing, the Calculation Agent will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms of the Securities to account for such rebasing.
- (d) If the Calculation Agent determines, in its sole and absolute discretion, that there is not such an index or basket of indices comparable to the relevant Commodity Index, and/or that application of the preceding paragraphs would not achieve a commercially reasonable result, the Calculation Agent may determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted).
- (e) On making any such adjustment or determination, the Calculation Agent shall give notice as soon as practicable to the Holders stating the adjustment to any amount payable under the Securities, the determination and/or any of the other relevant terms and giving brief details of the Commodity Index Adjustment Event, provided that any failure to give such notice shall not affect the validity of the Commodity Index Adjustment Event or any action taken.

7. Early redemption following Commodity Hedging Disruption

Unless the relevant Final Terms specify that Commodity Hedging Disruption is not applicable, upon the occurrence of a Commodity Hedging Disruption, the Issuer may, in its sole and absolute discretion, on giving not less than five nor more than 30 days' irrevocable notice, redeem the Securities on the date set for redemption in such notice by payment of the early payment amount in respect of each Security, which amount shall be determined by the Calculation Agent in good faith and in a commercially reasonable manner as representing the fair market value of a Security immediately prior to such redemption less the cost to the Hedging Entity of unwinding any Hedge Positions and after deduction for all other expenses related thereto as determined by the Issuer in good faith and in a commercially reasonable manner.

8. Adjustments to Securities linked to Commodities in European Currencies

In respect of any Securities linked to or relating to Commodities originally quoted, traded listed and/or dealt as of the Issue Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the EC Treaty, or if the relevant Commodity Reference Price is in such currency, if such Commodities are at any time after the Issue Date quoted, listed, traded and/or dealt exclusively in euro on the relevant Exchange or, where no Exchange is specified, the principal market on which those Commodities are traded, or if the relevant Commodity Reference Price is changed to the euro, then the Calculation Agent may make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to preserve the economic terms of the Securities. The Calculation Agent will make any conversion necessary for purposes of any such adjustment based on the relevant official conversion rate or such mid-market spot rate of exchange, as determined to be appropriate in the sole and absolute discretion of the Calculation Agent. No adjustments under this Commodity Linked Provision 8 will affect the currency denomination of any payment obligation arising out of the Securities.

9. Commodity Index Disclaimer

The Securities are not sponsored, endorsed, sold, or promoted by the Commodity Index or the Commodity Index Sponsor and no Commodity Index Sponsor makes any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Commodity Index and/or the levels at which the Commodity Index stands at any particular time on any particular date or otherwise. No Commodity Index or Commodity Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Commodity Index and the Commodity Index Sponsor is under no obligation to advise any person of any error therein. No Commodity Index Sponsor is making

any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Securities. The Issuer and the Guarantor (if any) shall have no liability to the Holders for any act or failure to act by the Commodity Index Sponsor in connection with the calculation, adjustment, or maintenance of the Index. Except as may be disclosed prior to the Issue Date and specified in the relevant Final Terms, none of the Issuer, the Guarantor (if any), the Calculation Agent or any of their respective affiliates has any affiliation with or control over the Commodity Index or Commodity Index Sponsor or any control over the computation, composition, or dissemination of the Commodity Index. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty, or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, the Guarantor (if any), their affiliates, or the Calculation Agent as to the accuracy, completeness, and timeliness of information concerning the Commodity Index.

10. **Consequences of an Additional Disruption Event**

Following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Calculation Agent may, in its sole and absolute discretion:

- (a) determine to make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for such Additional Disruption Event; and/or
- (b) determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*)), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted).

11. **Definitions**

The following terms and expressions shall have the following meanings in relation to Securities to which these Commodity Linked Provisions apply:

"Additional Disruption Event" means (a) a Change in Law, and, (b) if Hedging Disruption is specified in the relevant Final Terms to be applicable, a Hedging Disruption.

"Adjusted Scheduled Pricing Date" means (a) where a Pricing Date is adjusted in accordance with the applicable Commodity Business Day Convention (or Bullion Business Day Convention), the date on which the Pricing Date would fall following such adjustment, or (b) if the Pricing Date is not subject to adjustment in accordance with a Commodity Business Day Convention (or Bullion Business Day Convention), or the application of the applicable Commodity Business Day Convention (or Bullion Business Day Convention) does not result in an adjustment to the Pricing Date, the Scheduled Pricing Date corresponding to the Pricing Date.

"Bloomberg Screen" means, in respect of a Commodity Reference Price, when used in connection with any designated page, the display page so designated on the Bloomberg® service (or such other page as may replace that page on that service for the purpose of displaying prices comparable to such Commodity Reference Price, as determined by the Calculation Agent).

"Bullion" means each of gold, palladium, platinum and silver, and related expressions shall be construed accordingly.

"Bullion Business Day" means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York.

"Bullion Business Day Convention" means the convention for adjusting any Pricing Date or other relevant date if it would otherwise fall on a day that is not a Bullion Business Day. If the relevant Final Terms specify, in respect of such Pricing Date or other date, that:

- (a) **"Following"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Bullion Business Day, the Pricing Date or other date will be the first following day that is a Bullion Business Day;

- (b) **"Modified Following"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Bullion Business Day, the Pricing Date or other date will be the first following day that is a Bullion Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Bullion Business Day;
- (c) **"Nearest"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Bullion Business Day, the Pricing Date or other date will be (i) the first preceding day that is a Bullion Business Day if such date falls on a day other than a Sunday or Monday and (ii) the first following day that is a Bullion Business Day if such date falls on a Sunday or Monday;
- (d) **"Preceding"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Bullion Business Day, the Pricing Date or other date will be the first preceding day that is a Bullion Business Day; or
- (e) **"No Adjustment"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Bullion Business Day, the Pricing Date or other date will nonetheless be such Scheduled Pricing Date or other scheduled date.

If the relevant Final Terms does not specify an applicable Bullion Business Day Convention, then it shall be deemed that "Modified Following" shall apply.

"Bullion Reference Dealers" means, in respect of Bullion for which the Commodity Reference Price is "Commodity – Reference Dealers", the four major dealers that are members of The London Bullion Market Association or its successors specified in the relevant Final Terms, or if no such Bullion Reference Dealers are specified, as selected by the Calculation Agent, in each case, acting through their principal London offices.

"Calculation Agent Determination" means that the Calculation Agent will determine the Commodity Reference Price (or method for determining the Commodity Reference Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

"CFTC" means the U.S. Commodity Futures Trading Commission.

"Change in Law" means that, on or after the earlier of the Initial Pricing Date or the Issue Date (or, if there is no Initial Pricing Date, the Issue Date), of the Securities (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (x) it has become illegal to hold, acquire or dispose of any relevant commodity, futures contract, options contract or other asset, or (y) the Hedging Entity will incur a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Closing Commodity Index Level" means in respect of a Commodity Index and any day, the official published closing level of such Commodity Index on the relevant day as calculated and published by the relevant Commodity Index Sponsor or as otherwise determined by the Calculation Agent, subject as provided in the Commodity Linked Provisions.

"Commodity" and **"Commodities"** means, the commodity or commodities (which may include Bullion and which may be a specified futures contract relating to an underlying commodity) specified as such in the relevant Final Terms, and related expressions shall be construed accordingly.

"Commodity Business Day" means, in respect of a single Commodity (other than Bullion) or a basket of Commodities (excluding any Bullion) and:

- (a) where the Commodity Reference Price for a Commodity is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would

have been) a day on which such Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and

- (b) where the Commodity Reference Price for a Commodity is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price.

"Commodity Business Day Convention" means the convention for adjusting any Pricing Date or other relevant date if it would otherwise fall on a day that is not a Commodity Business Day. If the relevant Final Terms specify, in respect of such Pricing Date or other date, that:

- (a) **"Following"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Commodity Business Day, the Pricing Date or other date will be the first following day that is a Commodity Business Day;
- (b) **"Modified Following"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Commodity Business Day, the Pricing Date or other date will be the first following day that is a Commodity Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Commodity Business Day;
- (c) **"Nearest"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Commodity Business Day, the Pricing Date or other date will be (i) the first preceding day that is a Commodity Business Day if such date falls on a day other than a Sunday or Monday and (ii) the first following day that is a Commodity Business Day if such date falls on a Sunday or Monday;
- (d) **"Preceding"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Commodity Business Day, the Pricing Date or other date will be the first preceding day that is a Commodity Business Day; or
- (e) **"No Adjustment"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Commodity Business Day, the Pricing Date or other date will nonetheless be such Scheduled Pricing Date or other scheduled date.

If the relevant Final Terms does not specify an applicable Commodity Business Day Convention, then it shall be deemed that "Modified Following" shall apply.

"Commodity Hedging Disruption" means that:

- (a) due to (i) the adoption of, or any change in, any applicable law, regulation, rule or order (including, without limitation, any tax law); or (ii) the promulgation of, or any change in, the interpretation, application, exercise or operation by any court, tribunal, regulatory authority, exchange or trading facility or any other relevant entity with competent jurisdiction of any applicable law, rule, regulation, order, decision or determination (including, without limitation, as implemented by the CFTC or exchange or trading facility), in each case occurring on or after the Trade Date the Calculation Agent determines in good faith that it is contrary (or, upon adoption, it will be contrary) to such law, rule, regulation, order, decision or determination for the Hedging Entity to purchase, sell, enter into, maintain, hold, acquire or dispose of Hedge Positions (in whole or in part) (in the aggregate on a portfolio basis or incrementally on a trade by trade basis) including (without limitation) if such Hedge Positions (in whole or in part) (in the aggregate on a portfolio basis or incrementally on a trade by trade basis) are (or, but for the consequent disposal thereof, would otherwise be) in excess of any allowable position limit(s) in relation to any commodity traded on any exchange(s) or other trading facility (it being within the sole and absolute discretion of the Hedging Entity to determine which of the relevant assets or transactions are counted towards such limit); and/or
- (b) for any reason, the Hedging Entity is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the risk of entering into and performing its

commodity-related obligations with respect to the Securities, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Commodity Index" and "Commodity Indices" mean, subject to adjustment in accordance with the Commodity Linked Provisions, the index or indices linked to commodity futures contracts and specified as such in the relevant Final Terms, and related expressions shall be construed accordingly.

"Commodity Index Adjustment Event" has the meaning in Commodity Linked Provision 6 (*Adjustments to a Commodity Index*).

"Commodity Index Sponsor" means, for any Commodity Index, the entity specified as such in the relevant Final Terms, and, if not specified, the corporation or other entity that, as determined by the Calculation Agent (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Commodity Index, and (b) announces (directly or through an agent) the level of such Commodity Index on a regular basis in respect of each Trading Day.

"Commodity Index Sponsor Business Centre" means, for any Commodity Index, the location specified as such in the relevant Final Terms.

"Commodity - Reference Dealers" means that the price for a Pricing Date will be determined on the basis of quotations provided by Reference Dealers (or Bullion Reference Dealers) on such Pricing Date of that day's Specified Price for the relevant Commodity Reference Price (or, if there is no Specified Price for a Commodity Reference Price, such Commodity Reference Price) for a Unit of the relevant Commodity for delivery on the Delivery Date (or, if there is no Delivery Date for a Commodity Reference Price, for delivery on such date that forms the basis on which such Commodity Reference Price is quoted). If four quotations are provided as requested, the price for such Pricing Date will be the arithmetic mean of the Specified Prices for the relevant Commodity Reference Price (or, if there is no Specified Price for a Commodity Reference Price, of such Commodity Reference Prices for the relevant date and time) for such Commodity provided by each Reference Dealer (or Bullion Reference Dealer), without regard to the Specified Prices for the relevant Commodity Reference Price (or, as the case may be, Commodity Reference Prices for the relevant date and time) having the highest and lowest values. If exactly three quotations are provided as requested, the price for such Pricing Date will be the Specified Price for the relevant Commodity Reference Price (or, as the case may be, Commodity Reference Price for the relevant date and time) provided by the relevant Reference Dealer (or Bullion Reference Dealer) that remains after disregarding the Specified Prices for the relevant Commodity Reference Price (or, as the case may be, Commodity Reference Prices for the relevant date and time) having the highest and lowest values. For this purpose, if more than one quotation has the same highest or lowest value, then the Specified Price for the relevant Commodity Reference Price (or, as the case may be, Commodity Reference Price for the relevant date and time) of one of such quotations shall be disregarded.

"Commodity Reference Price" means in respect of any Commodity and a Pricing Date, the commodity reference price specified as such in the relevant Final Terms for that Commodity.

"Delayed Publication or Announcement" means that the price for a Pricing Date will be determined based on the Specified Price for the relevant Commodity Reference Price (or, if there is no Specified Price for a Commodity Reference Price, such Commodity Reference Price) in respect of the Scheduled Pricing Date corresponding to such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day (or Bullion Business Day) on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the Adjusted Scheduled Pricing Date corresponding to the Pricing Date) or the Commodity Reference Price continues to be unavailable for consecutive Commodity Business Days (or consecutive Bullion Business Days) equal in number to the Maximum Days of Disruption.

"Delivery Date" means, in respect of a Commodity Reference Price and a Pricing Date, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as is specified in the relevant Final Terms, provided that:

- (a) if the relevant Final Terms specify that "**Futures Contract – Expiry Date Roll**" shall be applicable in respect of a Commodity Reference Price, then "Delivery Date" shall mean, in respect of a Commodity Reference Price and the relevant Pricing Dates, the month of expiry of the first contract traded on the Exchange for the future delivery of such Commodity to expire after the relevant Pricing Date, PROVIDED THAT, for the avoidance of doubt, in the event that such Pricing Date for such Commodity Reference Price falls on the Last Trading Day for a contract traded on the Exchange for the future delivery of the relevant Commodity, then the "Delivery Date" for such Commodity Reference Price in relation to such Pricing Date shall be the month of expiry of the next contract for the future delivery of such Commodity to expire after (but not on) such Pricing Date.
- (b) if the relevant Final Terms specify that "**Futures Contract – Delivery Date Roll**" shall be applicable in respect of a Commodity Reference Price, then "Delivery Date" shall mean, in respect of a Commodity Reference Price and the relevant Pricing Dates, the month of expiry of the first contract for the future delivery of such Commodity trading on the Exchange to expire after the relevant Pricing Date, PROVIDED THAT, in the event that such Pricing Date for such Commodity Reference Price falls (i) in the period commencing on, and including, the First Notice Day of the Notice Period for Delivery of such contract to, but excluding, the Last Trading Day of such contract, then the "Delivery Date" for such Commodity Reference Price in relation to such Pricing Date shall instead be the month of expiry of the second contract for the future delivery of such Commodity to expire after such Pricing Date, or (ii) on the Last Trading Day for a contract traded on the Exchange for the future delivery of such Commodity, then the "Delivery Date" for such Commodity Reference Price in relation to such Pricing Date shall be the month of expiry of the next contract for the future delivery of such Commodity to expire after (but not on) such Pricing Date.

"Disappearance of Commodity Reference Price" means:

- (a) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange;
- (b) the disappearance of, or of trading in, the relevant Commodity; or
- (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price,

notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the relevant Commodity.

"Disruption Fallback" means, in respect of a Commodity and a Commodity Reference Price, Calculation Agent Determination, Delayed Publication or Announcement, Fallback Reference Dealers, Fallback Reference Price, Postponement and/or such other sources or methods specified as such or otherwise determined in the relevant Final Terms as an alternative basis for determining the Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date (or, if different, the day on which prices for such Pricing Date would in the ordinary course, be published or announced by the Price Source).

"Exchange" means, in relation to a Commodity, the exchange or principal trading market specified as such in the relevant Final Terms or the Commodity Reference Price.

"Fallback Pricing Date" means, in respect of a Commodity or Commodity Index, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Pricing Date in the relevant Final Terms, then the Fallback Pricing Date for any date on which the price of such Commodity or the level of such Commodity Index, as the case may be, is required to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the price of such Commodity or the level of such Commodity Index, as the case may be, on such day.

"Fallback Reference Dealers" means that the Commodity Reference Price will be determined in accordance with the Commodity Reference Price, "Commodity - Reference Dealers".

"Fallback Reference Price" means that the Calculation Agent will determine the Commodity Reference Price based on the price for such Pricing Date of the first alternate Commodity Reference Price specified in the relevant Final Terms and not subject to a Market Disruption Event.

"First Notice Day of the Notice Period for Delivery" means, in respect of the relevant Futures Contract, the "first notice day" for delivery of the relevant Commodity under such Futures Contract pursuant to the rules and regulations of the relevant Exchange, as at the relevant Pricing Date.

"Futures Contract" means, in respect of a Commodity Reference Price, the contract specified as such in the relevant Final Terms.

"Futures Trading Day" means, in respect of a Commodity Index and a futures contract comprised therein, each day on which the exchange on which such futures contract trades is open for trading.

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange or (b) other instruments or arrangements (howsoever described) in order to hedge individually or on a portfolio basis the Issuer's obligations under the Securities.

"Hedging Disruption" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risks of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Initial Pricing Date" means, in relation to a Commodity, the date specified as such in the relevant Final Terms.

"Last Trading Day" means, in respect of the relevant Futures Contract, the final day during which trading may take place in such Futures Contract pursuant to the rules and regulations of the relevant Exchange, as at the relevant Pricing Date, as determined by the Calculation Agent.

"Market Disruption Event" means:

- (a) other than in respect of a Commodity Index, the occurrence of any of the following events:
 - (i) Disappearance of Commodity Reference Price;
 - (ii) Material Change in Content;
 - (iii) Material Change in Formula;
 - (iv) Price Source Disruption;
 - (v) Trading Disruption;
 - (vi) Tax Disruption; and
 - (vii) any additional Market Disruption Events as specified in the relevant Final Terms; and
- (b) in respect of a Commodity Index, the occurrence of any one or more of the following circumstances:
 - (i) a material limitation, suspension, or disruption of trading in one or more of the futures contracts included in the Commodity Index which results in a failure by the exchange on which such futures contract is traded to report a closing price for such futures contract on the day on which such event occurs or any succeeding day on which it continues;
 - (ii) the closing price for any futures contract included in the Commodity Index is a "limit price", which means that the closing price for such futures contract for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable exchange rules; or

- (iii) a failure by the applicable exchange or other price source to announce or publish the closing price for any futures contract included in the Commodity Index.

"Material Change in Content" means the occurrence since the earlier of the Initial Pricing Date or the Issue Date (or, if there is no Initial Pricing Date, the Issue Date), of a material change in the content, composition or constitution of the Commodity or relevant Futures Contract.

"Material Change in Formula" means the occurrence since the earlier of the Initial Pricing Date or the Issue Date (or, if there is no Initial Pricing Date, the Issue Date), of a material change in the formula for or the method of calculating the relevant Commodity Reference Price.

"Maximum Days of Disruption" means the number of Commodity Business Days (or Bullion Business Days) specified as such in the relevant Final Terms and, if no such number is specified, five Commodity Business Days (or Bullion Business Days).

"Postponement" means that the Pricing Date for the Commodity Reference Price will be deemed to be the first succeeding Commodity Business Day (or Bullion Business Day) on which the Market Disruption Event ceases to exist, unless such Market Disruption Event continues to exist (measured from and including the Adjusted Scheduled Pricing Date corresponding to the Pricing Date) for consecutive Commodity Business Days (or consecutive Bullion Business Days) equal in number to the Maximum Days of Disruption in respect of such Commodity.

"Price Materiality Percentage" means the percentage specified as such in the relevant Final Terms.

"Price Source" means the publication(s) and/or Screen Page(s) (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) as specified in the relevant Commodity Reference Price or in the relevant Final Terms, provided that if the relevant Final Terms specify that "Futures Contract – Delivery Date Roll" or "Futures Contract – Expiry Date Roll" is applicable, then "Price Source" shall mean means the publication(s) and/or Screen Page(s) (or such other origin of reference, including an Exchange) as specified in the relevant Final Terms in order to reference the relevant Futures Contract on the relevant date and at the relevant time as set forth in the applicable proviso relating to such Commodity in the definition of "Delivery Date".

"Price Source Disruption" means, in respect of a Commodity:

- (a) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price (or, if there is no Specified Price for a Commodity Reference Price, such Commodity Reference Price);
- (b) the temporary or permanent discontinuance or unavailability of the Price Source;
- (c) if the Commodity Reference Price is "Commodity - Reference Dealers", the failure to obtain at least three quotations as requested from the relevant Reference Dealers or Bullion Reference Dealers (as applicable); or
- (d) if a Price Materiality Percentage is specified to be applicable in the relevant Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price, "Commodity - Reference Dealers", by such Price Materiality Percentage (or, if there is no Specified Price for a Commodity Reference Price, the Commodity Reference Prices determined by such means differ by such Price Materiality Percentage).

"Pricing Date" means, in respect of a Commodity or a Commodity Index, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to adjustment in accordance with the relevant Commodity Business Day Convention (or Bullion Business Day Convention) (in respect of a Commodity) or the relevant Trading Day Convention (in respect of a Commodity Index), as is applicable, and in accordance with the Commodity Linked Provisions.

"Reference Dealers" means, if the relevant Commodity Reference Price is "Commodity – Reference Dealers", the four dealers specified in the relevant Final Terms or, if dealers are not so specified, four leading dealers in the relevant market as determined by the Calculation Agent.

"Reuters Screen" means, in respect of a Commodity Reference Price, when used in connection with any designated page, the display page so designated on Reuters (or such other page as may replace that page on that service for the purpose of displaying prices comparable to such Commodity Reference Price, as determined by the Calculation Agent).

"Scheduled Pricing Date" means, in respect of a Pricing Date, the original day scheduled as such Pricing Date, prior to any adjustment or postponement thereof.

"Screen Page" means, in respect of a Commodity Reference Price, the Bloomberg Screen page and/or the Reuters Screen page and/or such other screen page of such other information provider, on which relevant information for such Commodity Reference Price is reported or published, as is specified in the relevant Final Terms.

"Specified Price" means in respect of a Commodity Reference Price, the price specified as such in the relevant Final Terms, being any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), and, if applicable, as of the time so specified: (a) the high price; (b) the low price; (c) the average of the high price and the low price; (d) the closing price; (e) the opening price; (f) the bid price; (g) the asked price; (h) the average of the bid price and the asked price; (i) the settlement price; (j) the official settlement price; (k) the official price; (l) the morning fixing; (m) the afternoon fixing; (n) the spot price; or (o) any other price specified as such in the relevant Final Terms.

"Tax Disruption" means, in respect of a Commodity, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, such Commodity (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the earlier of the Initial Pricing Date or the Issue Date (or, if there is no Initial Pricing Date, the Issue Date), if the direct effect of such imposition, change, or removal is to raise or lower the Commodity Reference Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change, or removal.

"Trade Date" means the day specified as such in the relevant Final Terms.

"Trading Day" means a day when:

- (a) the Commodity Index Sponsor is open for business in Commodity Index Sponsor Business Centre; and
- (b) the exchanges of all futures contracts included in the Commodity Index are open for trading.

"Trading Day Convention" means, in respect of a Commodity Index, the convention for adjusting any Pricing Date or other relevant date if it would otherwise fall on a day that is not a Trading Day. If the relevant Final Terms specify, in respect of such Pricing Date or other date, that:

- (a) **"Following"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Trading Day, the Pricing Date or other date will be the first following day that is a Trading Day;
- (b) **"Modified Following"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Trading Day, the Pricing Date or other date will be the first following day that is a Trading Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Trading Day;
- (c) **"Nearest"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Trading Day, the Pricing Date or other date will be (i) the first preceding day that is a Trading Day if such date falls on a day

other than a Sunday or Monday and (ii) the first following day that is a Trading Day if such date falls on a Sunday or Monday;

- (d) **"Preceding"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Trading Day, the Pricing Date or other date will be the first preceding day that is a Trading Day; or
- (e) **"No Adjustment"** shall apply to such Pricing Date or other date, then if the Scheduled Pricing Date or other scheduled date corresponding to such date is not a Trading Day, the Pricing Date or other date will nonetheless be such Scheduled Pricing Date or other scheduled date.

If the relevant Final Terms does not specify an applicable Trading Day Convention, then it shall be deemed that "Modified Following" shall apply.

"Trading Disruption" means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the relevant Final Terms or as determined by the Calculation Agent. For these purposes:

- (a) a suspension of the trading in the Futures Contract or the Commodity on any relevant Pricing Date shall be deemed to be material only if:
 - (i) all trading in the Futures Contract or the Commodity is suspended for the entire Pricing Date; or
 - (ii) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or Commodity on such Pricing Date and such suspension is announced less than one-hour preceding its commencement; and
- (b) a limitation of trading in the Futures Contract or the Commodity on any Pricing Date shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity on such day is at the upper limit of that range or at the lower limit of that range.

"Unit" means the unit of measure of the relevant Commodity, as specified in the relevant Commodity Reference Price or the relevant Final Terms.

ANNEX 4**FX LINKED PROVISIONS****Contents of Annex 4**

- 1. Consequences of FX Disrupted Days**
 - 1.1 Single FX Rate and Reference Dates
 - 1.2 FX Rate Basket and Reference Dates
 - 1.3 Averaging Reference Dates
- 2. Fallback Valuation Date**
- 3. Corrections to Published and Displayed Rates**
- 4. Successor Currency**
- 5. Rebasing of Securities**
- 6. Consequences of an Additional Disruption Event**
- 7. Definitions**

The terms and conditions set out in this Annex 4 apply to Securities for which the relevant Final Terms specify that these FX Linked Provisions shall apply.

1. **Consequences of FX Disrupted Days**

1.1 **Single FX Rate and Reference Dates**

Where the Securities relate to a single FX Rate, and if the Calculation Agent determines that any Reference Date in respect of such FX Rate is an FX Disrupted Day, the Calculation Agent shall determine such FX Rate on such Reference Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

1.2 **FX Rate Basket and Reference Dates**

Where the Securities relate to a basket of FX Rates, and if the Calculation Agent determines that any Reference Date in respect of one or more of such FX Rates is an FX Disrupted Day, then:

- (a) for each FX Rate for which the Calculation Agent determines that such Reference Date is not an FX Disrupted Day, the FX Rate will be determined on such Reference Date from the relevant FX Price Source; and
- (b) for each FX Rate for which the Calculation Agent determines that such Reference Date is an FX Disrupted Day, the Calculation Agent shall determine such FX Rate on such Reference Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

1.3 **Averaging Reference Dates**

If the relevant Final Terms specify that "Averaging Reference Dates – Omission" is applicable, if the Calculation Agent determines that any Averaging Reference Date is an FX Disrupted Day, then such Averaging Reference Date will be deemed not to be a relevant Averaging Reference Date for the purposes of determining any amount payable under the Securities or making any other determination thereunder, provided that, if through the operation of this provision there would not be any Averaging Reference Dates, then the final Averaging Reference Date will be deemed to be the sole Averaging Reference Date, and the Calculation Agent shall determine the FX Rate on such sole Averaging Reference Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

2. **Fallback Valuation Date**

Notwithstanding any other terms of these FX Linked Provisions, if a Fallback Valuation Date is specified in the relevant Final Terms to be applicable to any Reference Date or any other relevant date (as specified in the relevant Final Terms) (any such date being, for the purposes of this FX Linked Provision 2, a "**Relevant Date**") for an FX Rate, and if, following adjustment of such Relevant Date on account of the Scheduled Reference Date not being an FX Business Day (for the purposes of this FX Linked Provision 2, an "**Affected FX Rate**") the Relevant Date would otherwise fall after the specified Fallback Valuation Date in respect of such Affected FX Rate, then such Fallback Valuation Date shall be deemed to be such Relevant Date for such Affected FX Rate.

If such Fallback Valuation Date is not an FX Business Day or is an FX Disrupted Day in respect of such Affected FX Rate, as the case may be, then the Calculation Agent shall determine its good faith estimate of the value for such Affected FX Rate on such Fallback Valuation Date.

3. **Corrections to Published and Displayed Rates**

- (a) In any case where an FX Rate is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the FX Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

- (b) Notwithstanding FX Linked Provision 3(a) above, in any case where the FX Rate is based on information published or announced by any governmental authority in a relevant country, the FX Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within five days of the relevant Reference Date, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

4. **Successor Currency**

Where the relevant Final Terms specify that "Successor Currency" is applicable in respect of an FX Rate, then:

- (a) each Reference Currency will be deemed to include any lawful successor currency to the Reference Currency (the "**Successor Currency**");
- (b) if the Calculation Agent determines that on or after the Issue Date but on or before any relevant date under the Securities on which an amount may be payable, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the "**Original Currency**") for a Successor Currency, then for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion);
- (c) notwithstanding paragraph (b) above but subject to paragraph (d) below, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in a commercially reasonable manner, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and, will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the Securities to account for such elimination, conversion, redenomination or exchange of the Reference Currency; and
- (d) notwithstanding the foregoing provisions, with respect to any Reference Currency that is substituted or replaced by the Euro, the consequences of such substitution or replacement will be determined in accordance with applicable law.

5. **Rebasing of Securities**

If the relevant Final Terms specify that "Rebasing" is applicable, then if, on or prior to any Reference Date or any other relevant date, the Calculation Agent is unable to obtain a value for an FX Rate (because the Reference Currency and/or Base Currency ceases to exist, or for any other reason other than a temporary disruption, as determined by the Calculation Agent), the Calculation Agent may rebase the Securities against another foreign exchange rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable foreign exchange rate. If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable foreign exchange rate, the Issuer may elect to redeem the Securities by notice to Holders on the date specified in the notice at the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*)), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted) of each Security.

6. **Consequences of an Additional Disruption Event**

Following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Calculation Agent may, in its sole and absolute discretion:

- (a) determine to make such adjustment to the exercise, settlement, payment or any other terms of the Securities as the Calculation Agent determines appropriate to account for such Additional Disruption Event; and/or
- (b) determine that the Securities shall be redeemed, in which event the Issuer will cause to be paid to each Holder in respect of each Security held by it an amount equal to the Early Payment Amount (as defined in General Condition 31.1 (*Definitions*), provided that the words "(but ignoring the event which resulted in such early redemption)" shall be deemed to be deleted).

7. Definitions

"Additional Disruption Event" means (a) a Change in Law, and, (b) if Hedging Disruption is specified in the relevant Final Terms to be applicable, a Hedging Disruption.

"Averaging Date" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"Averaging Reference Date" means, in respect of an FX Rate, each Initial Averaging Date or Averaging Date, subject to adjustment in accordance with the FX Linked Provisions.

"Base Currency" means the currency specified as such in the relevant Final Terms.

"Calculation Agent Determination" means, in respect of an FX Rate and any relevant day, that the FX Rate for such relevant day (or a method for determining the FX Rate) will be determined by the Calculation Agent taking into consideration all available information that in good faith it deems relevant.

"Change in Law" means that, on or after the Issue Date of the Securities (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that (x) it has become illegal to hold, acquire or dispose of any relevant currency or asset, or (y) the Hedging Entity will incur a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

"Currency-Reference Dealers" means, in respect of any relevant day, that the Calculation Agent will request each of the Reference Dealers to provide a quotation of its rate at which it will buy one unit of the Base Currency in units of the Reference Currency at the applicable Valuation Time on such relevant day. If, for any such rate, at least two quotations are provided, the relevant rate will be the arithmetic mean of the quotations. If fewer than two quotations are provided for any such rate, the relevant rate will be the arithmetic mean of the relevant rates quoted by major banks in the relevant market, selected by the Calculation Agent at or around the applicable Valuation Time on such relevant day.

"Disruption Fallback" means, in respect of an FX Rate, Calculation Agent Determination, Currency-Reference Dealers, Fallback Reference Price and/or such other sources or methods specified as such or otherwise determined as an alternative basis for determining such FX Rate as may be provided in the relevant Final Terms. The applicable Disruption Fallback in respect of an FX Rate shall be as specified in the relevant Final Terms, and if two or more Disruption Fallbacks are specified, unless otherwise provided in the Final Terms, such Disruption Fallbacks shall apply in the order in which they are specified, such that if the Calculation Agent determines that the FX Rate cannot be determined by applying one Disruption Fallback, then the next Disruption Fallback specified shall apply.

"Fallback Reference Price" means, in respect of any relevant day, that the Calculation Agent will determine the FX Rate on such relevant day on the basis of the exchange rate for one unit of the Base Currency in terms of the Reference Currency for such FX Rate, published by available recognised financial information vendors (as selected by the Calculation Agent) other than the applicable FX Price Source, at or around the applicable Valuation Time on such relevant day.

"Fallback Valuation Date" means, in respect of any FX Rate, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Valuation Date in the relevant Final Terms, then the Fallback Valuation Date for any date on which the FX Rate is required to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the FX Rate on such day.

"FX Business Day" means, in respect of an FX Rate, each day (other than Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange in accordance with the practice of the foreign exchange market) in (a) the principal financial centre of the Reference Currency and (b) the FX Financial Centres (if any) specified in the relevant Final Terms.

"FX Business Day Convention" means the convention for adjusting any Reference Date or other relevant date if it would otherwise fall on a day that is not an FX Business Day. If the relevant Final Terms specify, in respect of such Reference Date or other date, that:

- (a) **"Following"** shall apply to such Reference Date or other date, then if the Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the Reference Date or other date will be the first following day that is an FX Business Day;
- (b) **"Modified Following"** shall apply to such Reference Date or other date, then if the Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the Reference Date or other date will be the first following day that is an FX Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is an FX Business Day;
- (c) **"Nearest"** shall apply to such Reference Date or other date, then if the Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the Reference Date or other date will be (i) the first preceding day that is an FX Business Day if such date falls on a day other than a Sunday or Monday and (ii) the first following day that is an FX Business Day if such date otherwise falls on a Sunday or Monday;
- (d) **"Preceding"** shall apply to such Reference Date or other date, then if the Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the Reference Date or other date will be the first preceding day that is an FX Business Day; or
- (e) **"No Adjustment"** shall apply to such Reference Date or other date, then if the Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the Reference Date or other date will nonetheless be such Scheduled Reference Date or other scheduled date.

If the relevant Final Terms does not specify an applicable FX Business Day Convention, then it shall be deemed that "Following" shall apply.

"FX Disrupted Day" means any day on which an FX Disruption Event occurs.

"FX Disruption Event" means the occurrence or existence, as determined by the Calculation Agent, of any Price Source Disruption and/or any Inconvertibility Event and/or any other event specified as an FX Disruption Event in the relevant Final Terms.

"FX Financial Centres" means, in respect of each FX Rate, the financial centre(s) specified in the relevant Final Terms.

"FX Price Source" means, in respect of an FX Rate, the price source(s) specified in the relevant Final Terms for such FX Rate or if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

"FX Rate" means, in respect of any relevant day, the exchange rate of one currency for another currency expressed as a number of units of the Reference Currency (or fractional amounts thereof) per unit of the Base Currency (and, if the relevant Final Terms specify a Number of FX Settlement Days, for settlement in the Number of FX Settlement Days reported and/or calculated and/or published by the FX Rate Sponsor), which appears on the FX Price Source at approximately the applicable Valuation

Time on such day, or such other rate specified or otherwise determined as provided in the relevant Final Terms.

"FX Rate Sponsor" means, for any FX Rate, the entity specified as such in the relevant Final Terms.

"Hedging Disruption" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"Inconvertibility Event" means, in respect of an FX Rate, the occurrence of an event which affects the convertibility of the relevant Reference Currency into the Base Currency.

"Initial Averaging Date" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"Initial Valuation Date" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"Interest Valuation Date" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"Number of FX Settlement Days" means such number or amount as is specified in the relevant Final Terms.

"Price Source Disruption" means it becomes impossible or otherwise impracticable to obtain the FX Rate on the Reference Date (or if different, the day on which rates for that Reference Date would, in the ordinary course, be published or announced by the relevant FX Price Source).

"Reference Currency" means the currency specified as such in the relevant Final Terms.

"Reference Date" means, in respect of an FX Rate, each Initial Averaging Date, Initial Valuation Date, Interest Valuation Date, Averaging Date or Valuation Date, subject to adjustment in accordance with the FX Linked Provisions.

"Reference Dealers" means, in respect of each FX Rate, four leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent (or any other number of dealers as specified in the relevant Final Terms).

"Scheduled Reference Date" means, in respect of an FX Rate and any Reference Date, any original date that, but for such day not being an FX Business Day for such FX Rate, would have been such Reference Date.

"Valuation Date" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"Valuation Time" means, in respect of an FX Rate, each time specified as such or otherwise determined as provided in the relevant Final Terms.

ANNEX 5

MARKET ACCESS PARTICIPATION PROVISIONS

(for the purpose of this Annex 5, the "**Participation Provisions**")

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4. Definitions

The terms and conditions set out in this Annex 5 apply to Notes for which the relevant Final Terms specify that the Market Access Participation Provisions shall apply.

1. Redemption and Purchase

1.1 Final Redemption

Unless previously redeemed, each Note will be redeemed on the Redemption Date at its Redemption Value. The Redemption Value will be due and payable on the Redemption Payment Date.

1.2 Redemption for Regulatory or Taxation Reasons

- (a) Subject to Participation Provision 1.2(b) below, Notes may be redeemed at the option of the Issuer in whole at any time on giving not less than 30 nor more than 60 calendar days' notice to the Holders of the Notes (which notice shall be irrevocable) at the Redemption Value of each Note for payment on the Redemption Payment Date if: (i) the Issuer (or the Guarantor, as the case may be), has or will (or there is a substantial likelihood that it will) become obliged to pay Additional Amounts as provided or referred to in General Condition 18 (*Taxation*) as a result of any action taken by a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax or brought in a court of competent jurisdiction on or after the Issue Date or any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be), taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be), would be obliged to pay such Additional Amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Participation Provision 1.2, the Issuer (or the Guarantor, as the case may be) shall deliver to the Relevant Programme Agent a certificate duly signed by the Issuer (or the Guarantor, as the case may be) stating that the Issuer (or the Guarantor, as the case may be) is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to such right of the Issuer (or the Guarantor, as the case may be) so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be), has or will (or there is a substantial likelihood that it will) become obliged to pay such Additional Amounts as a result of such change or amendment.
- (b) The Notes will be redeemable by the Issuer on shorter notice than the period specified above if the period of notice given to the Issuer of any relevant change, or amendment to the law makes it impracticable for the Issuer to give such notice and the interests of the relevant Holders will not be prejudiced by such action.

1.3 Redemption at the option of the Issuer

Notes may be redeemed (and/or transfers voided) by the Issuer as set forth in General Condition 2.3 (*Compulsory Transfer or Redemption*). In addition, the Issuer may, having given not less than five Business Days' notice to Holders in accordance with General Condition 26 (*Notices*), on any date redeem the Notes at the Redemption Value of each relevant Note for payment on the Redemption Payment Date if the Calculation Agent certifies that (1) any Relevant Country Authority has (i) revoked or suspended the Investment Regulations, (ii) suspended or terminated the ability of investors to invest in securities listed on any Relevant Exchange or (iii) imposed material limitations or restrictions on such ability, (2) the Underlying Shares have been delisted from any Relevant Exchange or (3) there has occurred any change in, amendment or non-renewal of (i) any judicial decision relating to the laws of the Relevant Country, (ii) any treaty to which the Relevant Country is a party, (iii) any application or official interpretation of such laws or treaty or (iv) any arrangements pertaining to any applicable investment facility including any hedging arrangements relating to the Notes after the Issue Date.

1.4 Nationalisation

If (a) all of the Underlying Shares or all or substantially all of the assets of the Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity, or (b) by reason of the voluntary or involuntary liquidation, winding-up or dissolution of or any analogous proceeding affecting the Underlying Company (i) all of the Underlying Shares are required to be transferred to any trustee, liquidator or other similar official or (ii) holders of the Underlying Shares become legally prohibited from transferring them, then, in the case of (a) or (b) above, the Calculation Agent will, upon becoming aware of such event, notify the Holders of Notes of such event and each Note will be redeemed at its Redemption Value for payment on the fifteenth Business Day after the Calculation Agent has given notice to the Holders of such event (for the purposes of this Participation Provision 1.4, the "**Redemption Payment Date**"). For the purposes of this Participation Provision 1.4, the "**Redemption Value**" of a Note will be equal to the amount (if any) received by the holder of an Underlying Share upon the occurrence of either of the above events, less any Taxation, multiplied by the Number of Underlying Shares per Note and converted into the Specified Currency of the Notes at the Exchange Rate on the Redemption Payment Date.

1.5 Redemption at the option of a Holder

- (a) At any time after the later of (i) the Settlement Date and (ii) the Underlying Settlement Period, a Holder may instruct the Issuer to redeem any Note held by such Holder at its Redemption Value. In order for a Holder to exercise such right, such Holder shall deliver on a Business Day to the Relevant Programme Agent or the relevant Paying Agent (as the case may be) a valid Redemption Notice.
- (b) A Holder may exercise its right under this Participation Provision 1.5 only in respect of the Minimum Redemption Number of Notes specified in the relevant Final Terms and such multiples thereof.

1.6 Suspension Period

- (a) A "**Suspension Period**" is such period from (and including) the date the Calculation Agent determines (in its absolute discretion) that (i) as a result of delivery of Underlying Shares connected with the Issuer's underlying hedging arrangements to the registrar of the Underlying Company for registration, such Underlying Shares cannot be transferred or (ii) as a result of the closure of the register of members of the Underlying Company for the purpose of establishing any dividend or other rights attaching to the Underlying Shares, the Underlying Shares cannot be transferred, in each case to (and including) such date when such transfer may be effected, and notice thereof (including an indication as to whether such Suspension Period has occurred due to the circumstances described in (i) or (ii) above) shall be given to the Holders in accordance with General Condition 26 (Notices).
- (b) If a Redemption Date or an Early Redemption Date in respect of a Note shall fall within a Suspension Period, such Redemption Date or Early Redemption Date shall be postponed until the first Exchange Business Day after the expiry of such Suspension Period.
- (c) Only one Suspension Period may occur during the Term of a Note as a result of the circumstances described in (a)(i) above.

1.7 Purchase

The Issuer (and the Guarantor in relation to Notes issued by JPMSP, JPMBD or JPMI) and any of their respective subsidiaries may at any time purchase Notes in the open market or otherwise at any price. The Notes so purchased, while held by or on behalf of the Issuer (or the Guarantor, as the case may be) shall not entitle the Holder to vote at any meetings of the Holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Holders for the purposes of General Condition 23 (*Meeting of Holders and Modifications*).

1.8 Postponement

Notwithstanding any other provision to the contrary in the Final Terms, (a) if redemption of the Notes is to be undertaken on a day which is not a Business Day or (b) if the Calculation Agent determines

that, due to prevailing market conditions relating to share settlement, foreign exchange conversion or remittance of the Specified Currency of the Notes in the Relevant Country, a Relevant Investor which had sold Underlying Shares during a Valuation Period is not able to receive the proceeds of such sale in the Specified Currency on the relevant Redemption Payment Date, then the Redemption Payment Date will be postponed, in respect of (a) until the next following Business Day or in respect of (b) until such date as a Relevant Investor is able to receive the proceeds of any such sale in the Specified Currency. No interest shall accrue on such proceeds of sale in respect of any such postponement. Any such determination by the Calculation Agent shall be notified immediately by the Calculation Agent to the Issuer and the Relevant Programme Agent. Notice of any postponement of the Redemption Payment Date pursuant to this Participation Provision 1.8 shall be given by the Relevant Programme Agent to the Holders in accordance with General Condition 26 (*Notices*) as soon as practicable after any determination pursuant to this Participation Provision 1.8.

2. Events Relating to the Underlying Shares

2.1 Adjustment Event

The declaration by an Underlying Company of the occurrence of any of the following (in the determination of the Calculation Agent) shall constitute an "**Adjustment Event**" in respect of the Notes:

- (a) A subdivision, consolidation or reclassification of the Underlying Shares or a change in par or paid value of the Underlying Shares, or a free dividend or distribution of any Underlying Shares to existing holders by way of bonus, capitalisation or similar issue including pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying Company or otherwise in lieu of a Cash Dividend;
- (b) A distribution to existing holders of the Underlying Shares of (i) Underlying Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Underlying Company equally or proportionately with such payments to holders of Underlying Shares or (iii) any other type of securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares for a consideration determined by the Issuer to be less than the prevailing market price per Underlying Share;
- (c) A dividend or distribution other than a Cash Dividend;
- (d) A repurchase by the Underlying Company of Underlying Shares whether out of profit or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (e) Any other similar event that may have a diluting or concentrative effect on the market value of the Underlying Shares or action that may be required to take account of provisions of the laws of the Relevant Country or any Relevant Exchange practice.

2.2 Action by Calculation Agent

Following each Adjustment Event during the Term of a Note the Calculation Agent will determine whether such Adjustment Event has a diluting or concentrative effect on the market value of the Underlying Shares, and if so, the Calculation Agent will carry out one or more of the following (provided that, in the case of physical Underlying Shares, a Suspension Period has occurred or is continuing):

- (a) calculate the corresponding adjustment, if any, to be made to the terms of the Notes as the Calculation Agent determines appropriate to account for that diluting or concentrative effect and determine the effective date of that adjustment;
- (b) distribute to the Holders of outstanding Notes additional Notes and/or a cash amount; and/or
- (c) give notice to each Holder in accordance with General Condition 26 (*Notices*) of its right to purchase additional Notes.

2.3 Fixing of Record Date

Whenever any cash amount shall become payable or any distribution other than cash shall be made or whenever rights shall be issued with respect to the Notes or whenever for any reason the Calculation Agent causes a change in the Number of Underlying Shares per Note or whenever the Calculation Agent shall find it necessary or convenient, the Calculation Agent shall fix a record date (the "**Record Date**"), which shall be the record date applicable to the Underlying Shares or a date as soon thereafter as practicable;

- (a) to determine those Holders who shall be entitled to receive such distribution or rights;
- (b) on or after which each Note will relate to the adjusted Number of Underlying Shares per Note; or
- (c) the Holders on such Record Date shall be entitled, as the case may be, to receive the amount distributable by the Issuer with respect to such distribution or such rights in proportion to the number of Notes held by them respectively.

2.4 Notice of Adjustment Event

As soon as practicable after each Adjustment Event the Relevant Programme Agent will give notice to the Holders in accordance with General Condition 26 (*Notices*) specifying:

- (a) in the case of a new issue of Notes at a specified subscription price:
 - (i) the Record Date;
 - (ii) the date by which Holders must reply to the notice and pay subscription monies (if any) (the "**Rights Settlement Date**");
 - (iii) the amount payable by the Holder of each Note to take up the rights relating to each Note;
 - (iv) the amount of any fees or charges payable by the Holder of each Note in connection with the issue of the new Notes; and
 - (v) the account of the Issuer with the Relevant Clearing System to be credited with the amount payable by the Holders;
- (b) in the case of a free distribution of Notes the Record Date and the number of new Notes to which the Holder of a Note is entitled;
- (c) in the case of a cash distribution the Record Date and the amount payable to the Holder of each Note;
- (d) in the case of an adjustment to the terms of the Notes (including the Number of Underlying Shares per Note) and all other cases which the Calculation Agent in its discretion considers appropriate, the Record Date and details of the adjustment; or
- (e) any combination of the above.

Notes and/or cash will be made available for distribution to eligible Holders as soon as is practicable and the Relevant Programme Agent shall notify Holders in accordance with General Condition 26 (*Notices*) when such Notes and/or cash are so available. Payments of cash amounts will be made in accordance with Participation Provision 3 (*Payments and other Conditions*) and in the case of a new issue of Notes under (a) above, no Holder will be entitled to receive any additional Notes unless and until the Relevant Programme Agent shall have received a notice that the Holder wishes to purchase such Notes and payment of the subscription monies on or prior to the Rights Settlement Date.

2.5 Coupon Amounts

Each Coupon Amount is payable on the Coupon Payment Date following the immediately preceding Coupon Period.

2.6 Subdivisions and Consolidations

If and whenever an Underlying Company shall subdivide its outstanding share capital into a greater number of shares or consolidate its outstanding share capital into a smaller number of shares, the Calculation Agent will adjust the Number of Underlying Shares per Note which shall be decreased (in the case of a consolidation) or increased (in the case of a subdivision) accordingly.

2.7 Merger

If it is announced that an Underlying Company is to, or may, merge or consolidate with or into any other corporation (including becoming, by agreement or otherwise, a subsidiary of or controlled by any person or corporation) (except where such Underlying Company is the surviving corporation in a merger) or that it is to, or may, sell or transfer all or substantially all of its assets, the rights attaching to a Note may be amended to reflect such merger or consolidation no later than the Business Day preceding the consummation of any such merger, consolidation, sale or transfer (as determined by the Calculation Agent, in its absolute discretion).

2.8 Change in Law

If:

- (a) there is any change in, or amendment to, the laws and regulations of the Relevant Country or any political subdivision or any authority thereof or therein having power to tax;
- (b) there is any change in, or amendment to, any treaty to which the Relevant Country is a party;
- (c) there is any change in the application or official interpretation of such laws, regulations or treaties; or
- (d) the Calculation Agent in its absolute discretion makes a determination that any other circumstance exists which would or could reduce the Redemption Value or Coupon Amount receivable by a Relevant Investor on repatriation of such amounts from the Relevant Country,

which change or amendment becomes effective or is applied or interpreted, or which determination is made, as the case may be, on or after the Issue Date, the Calculation Agent shall, in its absolute discretion, determine the amount of any additional deduction or withholding from the Redemption Value or Coupon Amount that is required or, in the absolute determination of the Calculation Agent, ought to be made in such circumstances and shall notify the Issuer, the Guarantor (in relation to Notes issued by JPMSP, JPMBD or JPMI) and the Relevant Programme Agent of such amount. The Relevant Programme Agent shall thereupon immediately notify Holders in accordance with General Condition 26 (*Notices*).

3. Payments and other Conditions

3.1 Method of Payment

Payments in respect of the Redemption Value, any Coupon Amount will be made (a) in the case of Registered Notes, to, or to the order of, the relevant Holder appearing on the Register on the relevant Record Date and, (b) in the case of Bearer Notes in the case of all payments other than the Coupon Amount against presentation and surrender (or, in the case of partial payment, endorsement) of the relevant Notes at the specified office of the relevant Paying Agent, by a cheque denominated in the Specified Currency of the Notes drawn on, or by transfer to an account denominated in the Specified Currency of the Notes, maintained by the payee with a bank in the principal financial centre of the Specified Currency of the Notes, as may be specified by the Holder (and, in the case of Registered Notes and in the absence of such specification, by such a cheque posted to the Holder at the address shown in the Register at the risk of the Holder).

3.2 Payments subject to fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of General Condition 18 (*Taxation*). Subject to the General Conditions,

these Participation Provisions, each as may be amended by the relevant Final Terms in respect of the Notes, no commissions or expense shall be charged to the Holders in respect of payments.

4. Definitions

For the purposes of these Participation Provisions, the following words and expressions shall have the following meanings in relation to Notes to which these Participation Provisions apply:

"Adjustment Event" means any one or more of the events referred to in Participation Provision 2.1 (*Adjustment Event*).

"Authority" means any governmental authority or any state or agency of a state (in each case whether or not having a separate legal personality).

"Average Selling Price" means, in relation to each Note, an amount certified by the Calculation Agent as being equal to the weighted average of the prices at which a Relevant Investor could have sold the Underlying Shares on the Relevant Exchange during an applicable Valuation Period.

"Business Day" means a day, other than a Saturday or Sunday, on which banks are open for business in (i) London, (ii) the principal financial centre of the country of the Specified Currency and (iii) the principal centre of the Relevant Country for the type of business contemplated herein.

"Calculation Agent" means J.P. Morgan Securities Ltd.

"Cash Dividend" means any ordinary or special dividend paid in cash on an Underlying Share (excluding, for the avoidance of doubt, stock dividends or the cash value of any dividend declared on an Underlying Share in shares of the Underlying Company or in any assets other than cash) in relation to which the ex-dividend date has occurred and payment has been made to the holder of the Underlying Share during the relevant Coupon Period.

"Closing Price" means the closing price of an Underlying Share as quoted on the daily quotations list (or equivalent) of a Relevant Exchange as recorded by the Calculation Agent. If the closing price of an Underlying Share is not shown on the daily quotations list (or equivalent) of any Relevant Exchange on the date on which such price is required then, notwithstanding any provision of the Conditions, the Closing Price for an Underlying Share shall be the fair market value of an Underlying Share as determined by the Calculation Agent in its sole discretion.

"Conditions" means the General Conditions and these Participation Provisions, each as may be amended by the relevant Final Terms in respect of the Notes.

"Coupon Amount" means Cash Dividends less (i) any Taxation and (ii) any Handling Charge multiplied by the Number of Underlying Shares per Note and converted into the Specified Currency of the Notes at the Coupon Exchange Rate.

"Coupon Exchange Rate" means the rate specified as such in the relevant Final Terms plus the Exchange Rate on the tenth Business Day after the later of (i) the last day of the applicable Coupon Period or (ii) the day when a Relevant Investor would have received actual payment in United States dollars of the applicable Cash Dividend.

"Coupon Payment Date" shall have the meaning given in the relevant Final Terms.

"Coupon Period" in relation to a Note, means the period specified as such in the relevant Final Terms, provided that (a) in the case of physical Underlying Shares the first Coupon Period will commence on the first day of the Suspension Period and (b) in the case of dematerialised Underlying Shares the first Coupon Period will commence on the settlement date for delivery of shares in connection with the Issuer's underlying hedging arrangements and in each case the last day of the final Coupon Period will be the earlier of, the Redemption Date, the Early Redemption Date or the Default Redemption Date.

"Default Redemption Date" means the first Exchange Business Day after the date upon which notice is received by the Relevant Programme Agent pursuant to General Condition 16 (*Events of Default*).

"Early Redemption Date" means (i) any Business Day announced by the Issuer as a date for redemption of the Notes in accordance with Participation Provision 1.2 (*Redemption for Regulatory or Taxation Reasons*) or 1.3 (*Redemption at the option of the Issuer*) or (ii) the first Exchange Business Day after a valid Redemption Notice is received by the Relevant Programme Agent provided that such Redemption Notice is received prior to 4:00 p.m. (London time) or, if received after such time, the following Exchange Business Day.

"Exchange Business Day" means a day that is (i) a Business Day, (ii) a trading day on any Relevant Exchange and on any relevant options or futures exchange other than a day on which trading on any Relevant Exchange or any relevant futures or options exchange is scheduled to close prior to its regular weekday closing time and (iii) a day on which no Market Disruption Event has occurred or is continuing.

"Exchange Rate" means the rate given as such in the relevant Final Terms or, if no such exchange rate is specified, the exchange rate as determined by the Calculation Agent by reference to such sources as it may in its absolute discretion select.

"Handling Charge" has the meaning given in the Final Terms.

"Investment Regulations" has the meaning given in the relevant Final Terms and as amended and/or replaced from time to time.

"Market Disruption Event" means, as determined by the Calculation Agent, the occurrence or existence of (i) any suspension of, or material limitation on, trading in the Underlying Shares on any Relevant Exchange, or (ii) any suspension of, or material limitation on, trading in stocks generally on any Relevant Exchange, or (iii) a material restriction on the sale and purchase of the Underlying Shares, or (iv) any suspension of, or material limitation imposed on, trading of options or futures relating to the Underlying Shares or options or futures relating to securities generally on any Relevant Exchange on any options or futures exchange on which options or futures relating to the Underlying Shares are traded, or (v) any suspension of or limitation on execution of sales on any Relevant Exchange or elsewhere by reason of illiquidity in any market for the Underlying Shares, or (vi) any prevailing market conditions which in the good faith opinion of the Issuer prevent Relevant Investors from being able to buy or sell Underlying Shares on any Relevant Exchange, (vii) any failure by local entities in the Relevant Country involved in the process of transfer and/or registration of the Underlying Shares, including, without limitation, custodians, registrars and clearing houses to perform their duties in a timely manner or (viii) any prevailing market conditions which in the good faith opinion of the Calculation Agent are such as should constitute a Market Disruption Event.

For the purpose of this definition:

- (i) a limitation on the hours and number of days of trading if it results from an announced change in the regular business hours of any Relevant Exchange shall not constitute a Market Disruption Event; and
- (ii) a limitation on trading imposed during the course of a day by reason of movements in price exceeding levels permitted by any Relevant Exchange shall constitute a Market Disruption Event.

All determinations by the Calculation Agent as to whether a Market Disruption Event has occurred will be conclusive and binding on the Holders save in the case of manifest error.

"Minimum Redemption Number" has the meaning given in the relevant Final Terms.

"Number of Underlying Shares per Note" means one Underlying Share per Note (subject to adjustment in accordance with Participation Provision 2 (*Events Relating to the Underlying Shares*)).

"Record Date" has the meaning given in Participation Provision 2.3 (*Fixing of Record Date*).

"Redemption Charge" has the meaning given in the relevant Final Terms, together with any other levies, fees, commissions, custodial fees, registrations or other charges or costs whatsoever which may be incurred by the Issuer and/or the Hedging Entity as a result of, or in connection with, the holding of

and/or selling of and/or realising the Underlying Shares as may be imposed from time to time, such amounts as calculated by the Calculation Agent in its sole and absolute discretion.

"Redemption Date" has the meaning given in the relevant Final Terms.

"Redemption Exchange Rate" means the Exchange Rate on the first Business Day immediately following the last day of the Valuation Period when a Relevant Investor is able to convert into the Specified Currency of the Notes the proceeds of Underlying Shares sold during the Valuation Period (the **"Redemption Exchange Rate Date"**) plus any amount of the relevant currency specified in the relevant Final Terms.

"Redemption Notice" means a notice, substantially in the form set out in Schedule 10, Part B to the Agency Agreement and available upon request at the specified office of any Paying Agent, from a Holder to the Issuer exercising its option to redeem Notes in accordance with Participation Provision 1.5 (*Redemption at the option of a Holder*).

"Redemption Payment Date" means, in relation to a Note, the date falling not later than five Business Days after the Redemption Exchange Rate Date.

"Redemption Value" means, in respect of a Note and subject to Participation Provision 2 (*Events Relating to the Underlying Shares*), 100 per cent. less any Redemption Charge (expressed as a percentage), multiplied by the Average Selling Price of the Underlying Shares during the Valuation Period less any Taxation plus any Coupon Amount multiplied by the Number of Underlying Shares per Note and converted into the Specified Currency of the Notes at the Redemption Exchange Rate provided that if redemption follows the occurrence of an event of default specified in General Condition 16 (*Events of Default*), the Redemption Value will be calculated by reference to the Closing Price of an Underlying Share on the Default Redemption Date.

"Register" has the meaning provided in Clause 1.1 (*Definitions*) of the Agency Agreement.

"Relevant Country" has the meaning given in the relevant Final Terms.

"Relevant Country Authority" means the Authority of the Relevant Country.

"Relevant Exchange" means the Exchange, as defined in the relevant Final Terms or any other successor exchange as selected by the Issuer in its absolute discretion.

"Relevant Investor" means, a qualified foreign or non-resident institutional investor as such terms or concepts may be defined (i) under the Investment Regulations or, if such terms or concepts are not defined in the Investment Regulations, (ii) by the Issuer.

"Rights Settlement Date" has the meaning given in Participation Provision 2.4 (*Notice of Adjustment Event*).

"Settlement Date" has the meaning given in the relevant Final Terms.

"Specified Currency" has the meaning given in the relevant Final Terms.

"Suspension Period" has the meaning given in Participation Provision 1.6 (*Suspension Periods*).

"Taxation" means the aggregate of:

- (i) all withholding taxes, capital gains taxes and other duties and taxes whatsoever in effect which the Calculation Agent certifies as would be payable in the Relevant Country by or on behalf of a Relevant Investor had such investor owned an Underlying Share from the Trade Date and sold such Underlying Share on any day during the relevant Valuation Period; and
- (ii) all stamp duties or increases introduced in the rates of stamp duties in the Relevant Country in effect on or after the Trade Date.

"Term" means, in relation to a Note, the period commencing on the Settlement Date and ending on the earlier of the Redemption Date, the Default Redemption Date or the Early Redemption Date.

"Trade Date" has the meaning given in the Final Terms.

"Underlying Company" has the meaning given in the relevant Final Terms.

"Underlying Settlement Period" means the number of days, from (and including) the Trade Date, required for a Relevant Investor to settle the purchase of the Underlying Shares in the Relevant Exchange.

"Underlying Shares" has the meaning given in the relevant Final Terms.

"Valuation Period" in relation to a Note means (i) a period commencing on (and including) the first Exchange Business Day immediately following the earlier of the Redemption Date or the Early Redemption Date and ending on (and including) the Exchange Business Day immediately following the date on which a Relevant Investor would have completed the sale of the required number of Underlying Shares or (ii) a period commencing on and ending on the Default Redemption Date in each case excluding, for the avoidance of doubt, any day on which a Market Disruption Event has occurred or is continuing.

ANNEX 6

LOW EXERCISE PRICE WARRANT PROVISIONS

(for the purpose of this Annex 6, the "**LEPW Provisions**")

Contents of Annex 6

- 1. Settlement Amount**
- 2. Dividend Amounts**
- 3. Consequences of Potential Adjustment Events**
- 4. Extraordinary Events, Additional Disruption Events and Termination Events**
- 5. Early Payment Amount**
- 6. FX Inconvertibility Event**
- 7. Definitions**

The terms and conditions set out in this Annex 6 apply to Warrants for which the relevant Final Terms specify that the LEPW Provisions shall apply.

1. Settlement Amount

The Issuer shall, for each Warrant being exercised or deemed exercised, on the Settlement Date transfer or procure the transfer of the Settlement Amount to the Holder. Unless otherwise specified in the relevant Final Terms, the Settlement Amount is an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$\text{Max}\left\{0; \left[\left(0.99 \times \frac{\text{Final Price}}{\text{FX Rate}} \right) - \text{Strike Price} \right] \right\}$$

Where "Max", "Final Price", "FX Rate" and "Strike Price" have the meanings set out in LEPW Provision 7 (*Definitions*) below.

2. Dividend Amounts

In respect of each Dividend Payment Date, the Issuer shall pay to the Holder of each Warrant as of the Record Date the Dividend Amount corresponding to such Dividend Payment Date.

3. Consequences of Potential Adjustment Events

3.1 If the Calculation Agent determines that a Potential Adjustment Event (as defined in Share Linked Provision 9 (*Definitions*)) has occurred in respect of a Share, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, the Calculation Agent may:

- (a) (i) make adjustment(s), if any, to one or more of any variable relevant to the exercise, settlement, payment or other terms of the Warrants as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (ii) determine the effective date(s) of the adjustment(s); and/or
- (b) determine, subject to the agreement of the Issuer, to (i) distribute to Holders additional Warrants; and/or (ii) allow Holders to purchase additional Warrants; and/or (iii) distribute a cash amount to Holders, in each case, on such terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect.

3.2 Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Holders stating:

- (a) in respect of a determination pursuant to LEPW Provision 3.1(a), the adjustment to any amount payable under the Warrants and/or any of the other relevant terms;
- (b) in respect of a determination pursuant to LEPW Provision 3.1(b)(i), the Record Date and the number of new Warrants to which the Holder is entitled;
- (c) in respect of a determination pursuant to LEPW Provision 3.1(b)(ii):
 - (i) the Record Date;
 - (ii) the date on or prior to which subscription monies must be paid to the Issuer to take up the rights relating to each Warrant ("**Rights Settlement Date**");
 - (iii) the amount payable (if any) by the Holder of each Warrant to take up the rights relating to each Warrant;
 - (iv) the amount of any fees or charges payable by the Holder of each Warrant in connection with the issue of the additional Warrants; and

- (v) the account of the Issuer with the Relevant Clearing System(s) to be credited with the amount payable by the Holders; and
- (d) in respect of a determination pursuant to LEPW Provision 3.1(b)(iii), the Record Date and the amount payable to the Holder of a Warrant,

provided that any failure to give such notice shall not affect the validity of the Potential Adjustment Event or any action taken.

- 3.3 In the case of a new issue of Warrants referred to in LEPW Provision 3.1(b)(ii), no Holder will be entitled to receive any additional Warrants unless the Relevant Programme Agent has received notice (in a form prescribed by and that may be obtained from the Issuer) that the Holder wishes to purchase such Warrants and the Issuer has received payment of the subscription monies on or prior to the Rights Settlement Date.

4. **Extraordinary Events, Additional Disruption Events and Termination Events**

- 4.1 Share Linked Provision 5 (*Consequences of Extraordinary Events*), as amended pursuant to LEPW Provision 5 (*Early Payment Amount*), shall apply to Warrants for which the relevant Final Terms specify that the LEPW Provisions shall apply.

- 4.2 Share Linked Provision 6 (*Consequences of Additional Disruption Events*), as amended pursuant to LEPW Provision 5 (*Early Payment Amount*), shall apply to Warrants for which the relevant Final Terms specify that the LEPW Provisions shall apply. Notwithstanding Share Linked Provision 9 (*Definitions*), the terms "Additional Disruption Events", "Change in Law" and "Hedging Disruption" shall have the meanings below:

"Additional Disruption Events" means (a) a Change in Law, (b) a Hedging Disruption, (c) an Insolvency Filing, (d) an Increased Cost of Hedging, (e) a QFII Status Disruption and (f) a QFII Disruption (each, an **"Additional Disruption Event"**).

"Change in Law" means that, on or after the Trade Date, one or more of the following events occurs:

- (a) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority); or
- (b) any change in, or amendment to, the laws and regulations of a relevant country or any political subdivision or any authority including any authority having power to tax;
- (c) any change in, or amendment to, any treaty;
- (d) any change in the application or official interpretation of such laws, regulations or treaties, as determined by the Calculation Agent;

and the Calculation Agent determines that such event has a material effect on the Warrants (which shall include, without limitation, the relevant event (x) making it illegal to hold, acquire or dispose of Shares or any Hedge Positions, or (y) resulting in a Hedging Entity incurring a materially increased cost in performing its obligations in relation to the Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position)).

"Hedging Disruption" means that the Hedging Entity is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) (including, without limitation, stock loans and other transactions that can be used to create a long or short exposure to the Shares) that hedge, in a commercially reasonable manner, based on prevailing circumstances applicable to the Hedging Entity, the price risk (or any other relevant price risk or dividend risk) of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Warrants, or (b) freely realise, recover, receive, repatriate, remit or transfer the

proceeds of any Hedge Positions between accounts within the jurisdiction of the Hedge Positions (the "**Affected Jurisdiction**") or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction.

"Increased Cost of Hedging" means that a Hedging Entity would incur materially increased (as compared with circumstances at the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) (including, without limitation, stock loans and other transactions that can be used to create a long or short exposure to the Shares) that hedge, in a commercially reasonable manner, based on prevailing circumstances applicable to the Hedging Entity, the price risk (or any other relevant price risk or dividend risk) of the Issuer issuing and the Issuer performing its obligations with respect to or in connection with the relevant Warrants, or (b) freely realise, recover, receive, repatriate, remit or transfer the proceeds of any Hedge Positions between accounts within the jurisdiction of the Hedge Positions (the "**Affected Jurisdiction**") or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Hedging Entity shall not be deemed an Increased Cost of Hedging.

"QFII" means, for the purpose of the definition of QFII Status Disruption and QFII Disruption, each as set out immediately below, an entity outside the People's Republic of China which meets the requirements of the Measures and is approved by the China Securities Regulatory Commission to invest in Chinese securities markets and has obtained the quota from the State Administration of Foreign Exchange, where "Measures" means the provisional measures regarding the regulation of a QFII's investment in domestic securities.

"QFII Disruption" means, in respect of Warrants for which the relevant Final Terms specify that the QFII Events are applicable, that, on or after the Trade Date due to any action (an "Action") taken by any court, tribunal or regulator authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority) against any QFII in respect of its duties and obligations as a QFII, the Calculation Agent, acting in good faith, is of the opinion that there has been a material increase in regulatory risk in connection with maintaining, entering into or unwinding any Applicable Hedge Positions. For the avoidance of doubt, in determining whether a QFII Disruption has occurred, the Calculation Agent may take into consideration the responses of other QFII in relation to such Action.

"QFII Status Disruption" means, in respect of Warrants for which the relevant Final Terms specify that the QFII Events are applicable, that, on or after the Trade Date (i)(A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulator authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in good faith that there has been (or it expects that there will be) a material change in the scheme for investment in domestic securities in the People's Republic of China by a QFII, or (ii) the approval of the Hedging Entity as a QFII under such scheme is (A) withdrawn, revoked or suspended for any reason whatsoever, or (B) modified in a material manner as determined by the Calculation Agent in good faith.

5. **Early Payment Amount**

General Condition 12 (*Early Termination of Warrants and Certificates for Tax Reasons*), General Condition 16.2 (*Consequences of an Event of Default*), General Condition 2.3 (*Compulsory Transfer or Redemption*), General Condition 17 (*Termination Event and Tax Termination Event*), Share Linked Provision 5 (*Consequences of Extraordinary Events*), Share Linked Provision 6 (*Consequences of Additional Disruption Events*), shall be amended as follows:

- (a) **"Early Payment Amount"** shall mean, notwithstanding the definition of "Early Payment Amount" in General Condition 31.1 (*Definitions*), an amount determined by the Calculation Agent on the first Business Day after the Early Payment Disposal Period, representing the fair value of the Warrants, taking into consideration such matters and information that the Calculation Agent considers relevant, which information shall include (without limitation) the

volume weighted average price per Share equal to the price that would be realised by a Hypothetical Broker Dealer (if any), less any expenses and Taxation, acting in a commercially reasonable manner, in terminating or liquidating Applicable Hedge Positions (corresponding to the number of outstanding Warrants) during the Early Payment Disposal Period; and

- (b) notice pursuant to the relevant Condition shall:
 - (i) be deemed to have been given if that notice is given of not less than the number of days required (if any) pursuant to the Condition; and
 - (ii) end on the second Business Day following the expiry of the applicable Early Payment Disposal Period; and
- (c) the Early Payment Amount shall be payable on the tenth Business Day following the expiry of the applicable Early Payment Disposal Period ("**Early Payment Date**") and the Issuer shall give Holders notice of the Early Payment Date at least five Business Days before the Early Payment Date; and
- (d) for the purposes of this LEPW Condition 5:
 - (i) "**Early Payment Disposal Period**" means the period from (and including) the Initial Notice Day to (and including) the day (as determined by the Calculation Agent) on which a Hypothetical Broker Dealer acting in a commercially reasonable manner could execute the last purchase or sale transaction, as the case may be, that would be necessary to fully unwind the Applicable Hedge Positions, provided that such day shall not fall later than the 365th calendar day following the Initial Notice Day; and
 - (ii) "**Initial Notice Day**" means the first day on which notice is actually given pursuant to relevant Condition without regard to any notice period.

6. **FX Inconvertibility Event**

- 6.1 If an FX Inconvertibility Event has occurred and the Calculation Agent determines that such FX Inconvertibility Event has a material affect on the Warrants and the determination of an amount payable on a Dividend Payment Date, Settlement Date or any other relevant date, subject to LEPW Condition 6.3, the Dividend Payment Date, Settlement Date or other date shall be postponed to a date falling 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to Holders) after the date on which the FX Inconvertibility Event is no longer occurring (such adjusted date, the "**Relevant Payment Date**"). No interest shall be paid by the Issuer in respect of any delay which may occur in the payment of any amounts due and payable under the Warrants as a result of the operation of this LEPW Condition 6.
- 6.2 Notwithstanding LEPW Condition 6.1, the Issuer may, in its sole discretion, elect to:
 - (a) satisfy in part any amount that may be due on the Relevant Payment Date by making a partial payment of any such amount before the Relevant Payment Date to Holders; and
 - (b) make such adjustments (if any) to one or more of any variable relevant to the exercise, settlement, payment or other terms of the Warrants as the Calculation Agent determines appropriate in connection with the partial payment.
- 6.3 If the FX Inconvertibility Event is still occurring on the date which is 365 calendar days after the originally scheduled Dividend Payment Date, Settlement Date or other date on which an amount is due in respect of the Warrants (the "**FX Event Cut-off Date**"), then:
 - (a) the Relevant Payment Date shall fall on the first Business Day after FX Event Cut-off Date; and
 - (b) the Calculation Agent shall determine the amount payable under each Warrant on the Relevant Payment Date taking into consideration such matters and information that the Calculation Agent considers relevant including (without limitation) the rates of

exchange (if any) as the Calculation Agent determines would be realised by a Hypothetical Broker Dealer converting the Currency of the Shares into the Specified Currency as at the FX Event Cut-off Date.

7. Definitions

"Applicable Hedge Positions" means, at any time, Hedge Positions that the Calculation Agent determines that a Hypothetical Broker Dealer, acting in a commercially reasonable manner, would consider necessary to hedge the price risk and dividend risk of the Issuer issuing and the Issuer performing its obligations with respect to the Warrants at that time.

"Cash Dividend" means any ordinary or extraordinary dividends that (a) are paid in cash by the Share Issuer to holders of record of a Share from (but excluding) the Trade Date to (and including) the first anniversary following the Settlement Date; and (b) have an Ex-Dividend Date that occurs from (but excluding) the Trade Date to (and including) the Expiration Date.

"Currency of the Shares" means the currency (a) in which any Cash Dividend would be paid by the Share Issuer, (b) in which the Shares trade on the Exchange, or (c) of any proceeds that the Calculation Agent determines a Hypothetical Broker Dealer holding the Shares would receive on disposition of the Shares, as the case may be.

"Dividend Amount" means, in respect of a Dividend Payment Date, an amount equal to 100 per cent. of the relevant Cash Dividend per Share less any Taxation and Expenses, such amount converted (if necessary) into the Specified Currency at the Dividend Exchange Rate.

"Dividend Exchange Rate" means, the rate, determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, for converting the currency of the Cash Dividend into the Specified Currency on the Dividend Distribution Date by reference to such sources as the Calculation Agent may, in its discretion, select.

"Dividend Distribution Date" means each date that the Share Issuer pays a Cash Dividend to holders of record of the Share, as determined by the Calculation Agent.

"Dividend Payment Date" means, in respect of each Dividend Distribution Date, such day as determined by the Calculation Agent, provided that such day shall fall no later than the tenth Business Day after the Dividend Distribution Date.

"Ex-Dividend Date" means, in respect of a dividend, the date that the relevant Share commences trading ex-dividend on the Exchange in respect of the dividend as determined by the Calculation Agent.

"Exchange" means in respect of a Share, each exchange or quotation system specified as such in the relevant Final Terms for such Share, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

"Execution Period" means, the period from (and including) the Expiration Date to (and including) the Final Execution Date.

"Expenses" means all expenses, costs, charges, levies, tax, duties, withholding, deductions or other payments including without limitation, all depository, custodial, registration, transaction and exercise changes and stamp, issues, registration or, securities transfer or other similar taxes or duties, as determined by the Calculation Agent, that would be incurred per Share by or on behalf of (i) a Hypothetical Broker Dealer or a Hedging Entity that is a holder of record of a Share in connection with the payment of a Cash Dividend on such Share; or (ii) a Hypothetical Broker Dealer or Hedging Entity terminating or liquidating Applicable Hedge Positions or Hedge Positions (as applicable) during the Execution Period, as applicable.

"Final Price" means the weighted average price per Share determined by the Calculation Agent by reference to (i) the price that would be realised by a Hypothetical Broker Dealer, less any Expenses and Taxation, acting in a commercially reasonable manner, in terminating or liquidating Applicable Hedge

Positions (corresponding to the number of outstanding Warrants) during the Execution Period, and (ii) such other matters and information (if any) that the Calculation Agent, in its sole discretion, considers relevant.

"Final Execution Date" means the day (as determined by the Calculation Agent) on which a Hypothetical Broker Dealer acting in a commercially reasonable manner could execute the last purchase or sale transaction, as the case may be, that would be necessary to fully unwind the Applicable Hedge Positions, such determination to be made by the Calculation Agent, provided that such day shall fall no later than the 365th calendar day following the Expiration Date.

"FX Inconvertibility Event" means any event which affects or may affect at any relevant later time the convertibility of the Currency of the Shares into the Specified Currency, as determined by the Calculation Agent.

"FX Rate" means the weighted average rate, determined by the Calculation Agent, for converting the currency of the Shares into the Specified Currency expressed as a number of units (or fractional amounts thereof) of the currency in which the Shares are denominated for one unit of the Specified Currency, taking into consideration all available information that the Calculation Agent considers relevant, which information shall include such sources selected by the Calculation Agent and/or rates of exchange as the Calculation Agent determines would be realised by a Hypothetical Broker Dealer converting into the Specified Currency amounts received in connection with a hypothetical disposition of Applicable Hedge Positions during the Execution Period at the time of receipt of such amounts.

"Hypothetical Broker Dealer" means a hypothetical broker dealer subject to the same securities laws and rules and regulations of any securities regulators, exchanges and self-regulating organisations as applying to the Hedging Entity.

"Hedge Positions" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by a Hedging Entity or a Hypothetical Broker Dealer (as applicable) in order to hedge, individually or on a portfolio basis, the Issuer issuing, and the Issuer performing its obligations with respect to, the Warrants.

"Max" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

"Record Date" means such date, as determined and fixed by the Calculation Agent in its sole and absolute discretion, in relation any payment or distribution of assets under the Warrants or the determination of the rights of any Holder under the Warrants, utilised to determine those Holders who shall be entitled in respect of such payment, distribution or rights, as applicable.

"Rights Settlement Date" has the meaning given in LEPW Provision 3.2(c)(ii).

"Settlement Amount" has the meaning given in LEPW Provision 1 (*Settlement Amount*).

"Settlement Date" means, unless otherwise specified in the relevant Final Terms, in respect of each Warrant, the fifth Business Day following the Final Execution Date.

"Share" means, subject to adjustment in accordance with these LEPW Provisions, the share or shares specified as such in the relevant Final Terms and related expressions shall be construed accordingly.

"Share Issuer" means, in respect of a Share, the issuer of such Share.

"Strike Price" means, unless otherwise specified in the relevant Final Terms, an amount equal to 0.0001 of the Specified Currency.

"Taxation" means the aggregation of all withholding taxes, capital gains taxes and other duties and taxes whatsoever in effect which, in the sole and absolute determination of the Calculation Agent, would be payable per Share by or on behalf of (i) a Hypothetical Broker Dealer or a Hedging Entity that is a holder of record of a Share in connection with the payment of a Cash Dividend on such Share; or (ii) a Hypothetical Broker Dealer or Hedging Entity terminating or liquidating Applicable Hedge Positions or Hedge Positions (as applicable) during the Execution Period, as applicable.

"Trade Date" means the date specified as such in the relevant Final Terms.

Capitalised terms in these LEPW Provisions that are not defined have the respective meaning given in the General Conditions and/or the Share Linked Provisions.

APPENDIX

PROVISIONS REGARDING RESOLUTIONS OF HOLDERS OF GERMAN SECURITIES

The following provisions regarding resolutions of Holders are inserted into and constitute part of the Consolidated Conditions.

Part A

PROVISIONS APPLICABLE TO RESOLUTIONS TO BE PASSED AT MEETINGS OF HOLDERS

§ 1

Convening the Meeting of Holders

1. Meetings of Holders (each a "**Holders' Meeting**") shall be convened by the Issuer or by the Joint Representative. A Holders' Meeting must be convened if one or more Holders holding together not less than 5 per cent. of the outstanding Securities so require in writing, stating that they wish to appoint or remove a Joint Representative, that pursuant to section 5 paragraph 5, sentence 2 of the German Bond Act of 2009 (*Schuldverschreibungsgesetz*) a notice of termination ceases to have effect or that they have another specific interest in having a Holders' Meeting convened.
2. Holders whose legitimate request is not fulfilled may apply to the competent court to authorise them to convene a Holders' Meeting. The court may also determine the chairman of the meeting. Any such authorisation must be disclosed in the publication of the Convening Notice.
3. The competent court shall be the local court (*Amtsgericht*) in Frankfurt am Main. The decision of the court may be appealed.
4. The Issuer shall bear the costs of the Holders' Meeting and, if the court has granted leave to the application pursuant to subsection 2 above, also the costs of such proceedings.

§ 2

Notice Period, Registration, Proof

1. A Holders' Meeting shall be convened not less than 14 days before the date of the meeting.
2. If the Convening Notice provide(s) that attendance at a Holders' Meeting or the exercise of the voting rights shall be dependent upon a registration of the Holders before the meeting, then for purposes of calculating the period pursuant to subsection 1 the date of the meeting shall be replaced by the date by which the Holders are required to register. The registration notice must be received at the address set forth in the Convening Notice no later than on the third day before the Holders' Meeting.
3. The Convening Notice shall provide what proof is required to be entitled to take part in the Holders' Meeting. Unless otherwise provided in the Convening Notice, for Securities represented by a Global Security a voting certificate obtained from an agent to be appointed by the Issuer shall entitle its bearer to attend and vote at the Holders' Meeting. A voting certificate may be obtained by a Holder if at least six days before the time fixed for the Holders' Meeting, such Holder (a) deposits its Securities for such purpose with an agent to be appointed by the Issuer or to the order of such agent with a Custodian or other depository nominated by such agent for such purpose or (b) blocks its Securities in an account with a Custodian in accordance with the procedures of the Custodian and delivers a confirmation stating the ownership and blocking of its Securities to the agent of the Issuer. The voting certificate shall be dated and shall specify the Holders' Meeting concerned and the total number, the outstanding amount and the serial numbers (if any) of the Securities either deposited or blocked in an account with the Custodian. The Convening Notice may also require a proof of identity of a person exercising a voting right. Once the relevant agent of the

Issuer has issued a voting certificate for a Holders' Meeting in respect of a Security, the Securities shall neither be released nor permitted to be transferred until either such Holders' Meeting has been concluded or the voting certificate has been surrendered to the relevant agent of the Issuer. "Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Securities and includes the Relevant Clearing System.

§ 3

Contents of the Convening Notice, Publication

1. The notice convening a Holders' Meeting (the "**Convening Notice**") shall state the name, the place of the registered office of the Issuer, the time and venue of the Holders' Meeting, and the conditions on which attendance in the Holders' Meeting and the exercise of voting rights is made dependent, including the matters referred to in § 2 paragraphs 2 and 3.
2. The Convening Notice shall be published promptly in the electronic Federal Gazette (*elektronischer Bundesanzeiger*) and additionally in accordance with the General Condition 26 (*Notices*). The costs of publication shall be borne by the Issuer.
3. From the date on which the Holders' Meeting is convened until the date of the Holders' Meeting, the Issuer shall make available to the Holders, on the Issuer's website the Convening Notice and the precise conditions on which the attendance of the Holders' Meeting and the exercise of voting rights shall be dependent.

§ 4

Agenda

1. The person convening the Holders' Meeting shall make a proposal for resolution in respect of each item on the agenda to be passed upon by the Holders.
2. The agenda of the Holders' Meeting shall be published together with the Convening Notice. § 4 paragraphs 2 and 3 shall apply *mutatis mutandis*. No resolution may be passed on any item of the agenda which has not been published in the prescribed manner.
3. One or more Holders holding together not less than 5 per cent. of the outstanding Securities may require that new items are published for resolution. § 1 paragraphs 2 to 4 shall apply *mutatis mutandis*. Such new items shall be published no later than the third day preceding the Holders' Meeting.
4. Any counter motion announced by a Holder before the Holders' Meeting shall promptly be made available by the Issuer to all Holders up to the day of the Holders' Meeting on the Issuer's website.

§ 5

Proxy

1. Each Holder may be represented at the Holders' Meeting by proxy. Such right shall be set out in the Convening Notice regarding the Holders' Meeting. The Convening Notice shall further specify the prerequisites for valid representation by proxy.
2. The power of attorney and the instructions given by the principal to the proxy holder shall be made in text form (*Textform*). If a person nominated by the Issuer is appointed as proxy, the relevant power of attorney shall be kept by the Issuer in a verifiable form for a period of three years.

§ 6

Chair, Quorum

1. The person convening the Holders' Meeting shall chair the meeting unless another chairman has been determined by the court.
2. In the Holders' Meeting the chairman shall prepare a roster of Holders present or represented by proxy. Such roster shall state the Holders' names, their registered office or place of residence as well as the number of voting rights represented by each Holder. Such roster shall be signed by the chairman of the meeting and shall promptly be made available to all Holders.
3. A quorum shall be constituted for the Holders' Meeting if the persons present represent by value not less than 50 per cent. of the outstanding Securities. If it is determined at the meeting that no quorum exists, the chairman may convene a second meeting for the purpose of passing a new resolution. Such second meeting shall require no quorum. For those resolutions the valid adoption of which requires a qualified majority, the persons present at the meeting must represent not less than 25 per cent. of the outstanding Securities. Securities for which voting rights are suspended shall not be included in the outstanding Securities.

§ 7

Information Duties, Voting, Minutes

1. The Issuer shall be obliged to give information at the Holders' Meeting to each Holder upon request in so far as such information is required for an informed judgment regarding an item on the agenda or a proposed resolution.
2. The provisions of the German Stock Corporation Act (*Aktiengesetz*) regarding the voting of shareholders at general meetings shall apply *mutatis mutandis* to the casting and counting of votes, unless otherwise provided for in the Convening Notice.
3. In order to be valid each resolution passed at the Holders' Meeting shall be recorded in minutes of the meeting. If the Holders' Meeting is held in Germany, the minutes shall be recorded by a notary. If a Holders' Meeting is held abroad, it must be ensured that the minutes are taken in form and manner equivalent to minutes taken by a notary. Section 130 paragraphs 2 to 4 of the German Stock Corporation Act (*Aktiengesetz*) shall apply *mutatis mutandis*. Each Holder present or represented by proxy at the Holders' Meeting may request from the Issuer, for up to one year after the date of the meeting, a copy of the minutes and any annexes.

§ 8

Publication of Resolutions

1. The Issuer shall at its expense cause publication of the resolutions passed in appropriate form.
2. In addition, the Issuer shall make available to the public the resolutions passed and, if the resolutions amend the Consolidated Conditions, the wording of the original Consolidated Conditions, for a period of not less than one month commencing on the day following the date of the Holders' Meeting. Such publication shall be made on the Issuer's website.

§ 9

Insolvency Proceedings in Germany

1. If insolvency proceedings have been instituted over the assets of the Issuer in Germany, then any resolutions of Holders shall be subject to the provisions of the German Insolvency Code (*Insolvenzordnung*), unless otherwise provided for in the provisions set out below. Section 340 of the German Insolvency Code (*Insolvenzordnung*) shall remain unaffected.
2. The Holders may by majority resolution appoint a Joint Representative to exercise their rights jointly in the insolvency proceedings. If no Joint Representative has been appointed, the

insolvency court shall convene a Holders' Meeting for this purpose in accordance with the provisions of the German Bond Act of 2009 (*Schuldverschreibungsgesetz*) and the provisions set out in this Appendix.

3. The Joint Representative shall be obliged and exclusively entitled to assert the rights of the Holders in the insolvency proceedings. The Joint Representative need not present the debt instrument.
4. In any insolvency plan, the Holders shall be offered equal rights.
5. The insolvency court shall cause that any publications pursuant to the provisions of the German Bond Act of 2009 (*Schuldverschreibungsgesetz*) are published additionally in the internet on the website prescribed in section 9 of the German Insolvency Code (*Insolvenzordnung*).

§ 10

Action to set aside Resolutions

1. An action to set aside a resolution of Holders may be filed on grounds of a breach of law or of the Consolidated Conditions. A resolution of Holders may be subject to an action to set aside by a Holder on grounds of inaccurate, incomplete or denied information only if the furnishing of such information was considered to be essential in the reasonable judgement of such Holder for its voting decision.
2. An action to set aside a resolution may be brought by:
 - (a) any Holder who has taken part in the vote and has raised an objection against the resolution in the time required, provided that such Holder has acquired the Security before the publication of the Convening Notice for the Holders' Meeting or before the call to vote in a voting without a meeting;
 - (b) any Holder who did not take part in the vote, provided that his exclusion from voting was unlawful, the meeting had not been duly convened, the voting had not been duly called for, or if the subject matter of a resolution had not been properly notified.
3. The action to set aside a resolution passed by the Holders is to be filed within one month following the publication of such resolution. The action shall be directed against the Issuer. The court of exclusive jurisdiction shall be the Regional Court (*Landgericht*) of Frankfurt am Main. Section 246 paragraph 3 sentences 2 to 6 of the German Stock Corporation Act (*Aktiengesetz*) shall apply *mutatis mutandis*. A resolution which is subject to court action may not be implemented until the decision of the court has become res judicata, unless the court competent pursuant to sentence 3 above rules, pursuant to section 246a of the German Stock Corporation Act (*Aktiengesetz*), upon application of the Issuer that the filing of such action to be set aside does not impede the implementation of such resolution. Section 246a paragraph 1 sentence 1, paragraph 2, paragraph 3 sentences 2, 3 and 6 and paragraph 4 of the German Stock Corporation Act (*Aktiengesetz*) shall apply *mutatis mutandis*. An immediate complaint (*sofortige Beschwerde*) shall be permitted against the court order. An appeal on points of law (*Rechtsbeschwerde*) shall not be permitted.

§ 11

Implementation of Resolutions

1. Resolutions passed by the Holders' Meeting which amend or supplement the contents of the Consolidated Conditions shall be implemented by supplementing or amending the relevant Global Security. If the Global Security is held with a securities depositary, the chairman of the meeting or the person presiding over the taking of votes shall to this end transmit the resolution passed and recorded in the minutes to the securities depositary requesting it to attach the documents submitted to the existing documents in an appropriate manner. The chairman or the person presiding over the taking of votes shall confirm to the securities depositary that the resolution may be implemented.
2. The Joint Representative may not exercise any powers or authorisations granted to it by resolution for as long as the underlying resolution may not be implemented.

Part B

**PROVISIONS APPLICABLE TO RESOLUTIONS TO BE PASSED BY VOTES OF HOLDERS
WITHOUT MEETINGS**

Taking of Votes without Meeting

1. §§ 1 to 12 of Part A shall apply *mutatis mutandis* to the taking of votes without a meeting, unless otherwise provided in paragraphs 2 to 6 below.
2. The voting shall be conducted by the person presiding over the taking of votes. Such person shall be a notary appointed by the Issuer, or the Joint Representative if the latter has called for the taking of votes, or a person appointed by the court. § 1 paragraph 2 sentence 2 of Part A shall apply *mutatis mutandis*.
3. The call for the taking of votes shall specify the period within which votes may be cast. Such period shall not be less than 72 hours. During such period, the Holders may cast their votes in text form (*Textform*) to the person presiding over the taking of votes. The Convening Notice may provide for other forms of casting votes. The call for the taking of votes shall give details as to the prerequisites which must be met for the votes to qualify for being counted.
4. The person presiding over the taking of votes shall determine the entitlement to vote on the basis of proof presented and shall prepare a roster of the Holders entitled to vote. If a quorum does not exist, the person presiding over the taking of votes may convene a Holders' Meeting. Such meeting shall be deemed to be a second meeting within the meaning of § 7 paragraph 3 sentence 3 of Part A. Minutes shall be taken of each resolution passed. § 8 paragraph 3 sentences 2 and 3 of Part A shall apply *mutatis mutandis*. Each Holder who has taken part in the vote may request from the Issuer, for up to one year following the end of the voting period, a copy of the minutes and any annexes.
5. Each Holder who has taken part in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If he remedies the objection, he shall promptly publish the result. § 9 of Part A shall apply *mutatis mutandis*. If the person presiding over the taking of votes does not remedy the objection, he shall promptly inform the objecting Holder in writing.
6. The Issuer shall bear the costs of a vote taken without meeting and, if the court has granted leave to the application pursuant to § 1 paragraph 2 of Part A, also the costs of such proceedings.

FORM OF FINAL TERMS FOR SECURITIES OTHER THAN GERMAN SECURITIES

The form of Final Terms that will be issued in respect of each Tranche, subject to the deletion of non-applicable provisions, addition of any applicable provisions and disclosure and/or amendments to the General Conditions, is set out below:

Final Terms dated [●]

[J.P. Morgan Structured Products B.V./J.P. Morgan Bank Dublin plc/J.P. Morgan Indies SRL / JPMorgan Chase Bank, N.A. /JPMorgan Chase & Co.]

Structured Products Programme for the issuance of Notes, Warrants and Certificates
[Absolutely and unconditionally guaranteed by

[JPMorgan Chase Bank, N.A.¹ /JPMorgan Chase & Co.²]

[Aggregate Nominal Amount of Tranche (or, if booked in Units, the total number of Units)]³
[Number of Warrants/Certificates (or, insert aggregate Notional Amount, if booked in Notional)]⁴
[Title of Securities] due [●] (the "Securities")

[For public offerings and listings of Securities with a denomination of less than EUR 50,000 or any other issuance as determined by the Issuer, the Issuer may (but is not obliged to) include a cover page and a "key investor information" description of the securities]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (b) below, any offer of Securities in any Member State of the European Economic Area which has implemented Directive (2003/71/EC) (the "**Prospectus Directive**") (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Securities. Accordingly any person making or intending to make an offer of the Securities may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 63 of Part A below, provided such person is one of the persons mentioned in Paragraph 63 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances].⁵

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Securities in any Member State of the European Economic Area which has implemented Directive (2003/71/EC) (the "**Prospectus Directive**") (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of the Securities may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the

¹ Include if JPMSP issuance.

² Include if JPMBD or JPMI issuance.

³ Include if issuance of Notes.

⁴ Include if issuance of Warrants or Certificates.

⁵ Include this legend where a non-exempt offer of Securities is anticipated.

Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances]⁶.

[The Securities will not be offered to the public in or from Switzerland and neither these Final Terms nor any other document relating to the Securities may be publicly distributed in Switzerland in connection with any such offering or distribution. The Securities will be offered in Switzerland without any public promotion or advertisement only to selected qualified investors in accordance with the Federal Act on Collective Investment Schemes.]⁷

RISK FACTORS

Purchase of these Securities involves substantial risks

Investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Securities. Investors should make all pertinent inquiries they deem necessary without relying on the Issuer (as defined in paragraph 1), [the Guarantor], or the Dealer. Investors should consider the suitability of the Securities as an investment in light of their own circumstances, investment objectives, tax position and financial condition. Investors should consider carefully all the information set forth in these Final Terms along with all the information set forth in the Base Prospectus. Investors should pay particular attention to the section entitled "Risk Factors" in the Base Prospectus (pages 23 to 56 inclusive).

[Unregulated Securities: The Securities are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA

None of the Securities constitutes a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes. Therefore, none of the Securities is subject to approval, registration or supervision by any regulatory authority in Switzerland. Accordingly, investors do not have the benefit of the specific investor protection provided under the Swiss Federal Act on Collective Investment Schemes.]⁸

[Suspension of trading: Securities listed on SIX Swiss Exchange may be suspended from trading

Based on Article 57 of the Listing Rules of the SIX Swiss Exchange (*Suspension of Trading*) in combination with Articles 12 et seq. of the SIX Swiss Exchange's Additional Rules for the Listing of Derivatives, Securities based on equity securities, bonds and commodities may be listed on the SIX Swiss Exchange and hence traded on Scoach Switzerland only if the underlying equity securities, bonds and commodities are also listed on a recognised securities exchange or have been admitted to trading on such exchange. Consequently, if the underlying equity securities, bonds and commodities are delisted on such recognised exchange, Scoach Switzerland may suspend trading in these Securities.]⁹

PART A - CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions and the Specific Product Provisions (as may be amended and/or supplemented up to and including, [insert Issue Date]¹⁰) set forth in the Base Prospectus dated 14 May 2010 [and the Supplement[s] to the Base Prospectus listed in the Annex hereto] (the "**Base Prospectus**"). This document constitutes the Final Terms of the Securities described herein [for the purposes of Article 5.4 of the Prospectus Directive] and must be read in conjunction with the Base Prospectus. [Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available from The Bank of New York Mellon

⁶ Include this legend where an exempt offer of Securities is anticipated.

⁷ Include in the case of a private placement in Switzerland.

⁸ Include for Swiss Securities.

⁹ Include for Securities listed on the SIX Swiss Exchange.

¹⁰ In respect of fungible issuances, include Issue Date of the first Tranche.

(Luxembourg) S.A., at Aerogolf Center, 1A Hoehenhof, L-1736 Senningerberg, Luxembourg and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).¹¹

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions and the Specific Product Provisions set forth in the Base Prospectus dated 14 May 2009 [and the supplement dated 28 October 2009 to the Base Prospectus] ([as so supplemented,]the "**Original Base Prospectus**"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4] of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 14 May 2010 [and the Supplement[s] to the Base Prospectus listed in the Annex hereto] ([as so supplemented,]the "**Updated Base Prospectus**", which constitutes a base prospectus [for the purposes of the Prospectus Directive], save in respect of the General Conditions and the Specific Product Provisions which are extracted from the Original Base Prospectus and which are incorporated by reference into the Updated Base Prospectus. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Updated Base Prospectus (including the Original Base Prospectus incorporated by reference therein). The Base Prospectus is available from The Bank of New York Mellon (Luxembourg) S.A., at Aerogolf Center, 1A Hoehenhof, L-1736 Senningerberg, Luxembourg and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu)).]

[Include following if a non-exempt public offer of Securities other than Securities listed on the SIX Swiss Exchange, and the offer period extends past the anniversary date of the Base Prospectus]

[Notwithstanding the above, in the event that the offer period (if any) specified in these Final Terms extends on or beyond the date which is one year from 14 May 2010 then, upon publication on or prior to such date of a prospectus under the Programme which supersedes and replaces the Base Prospectus (the "**Updated Base Prospectus**"), the Final Terms should be read in conjunction with the Updated Base Prospectus in place of the original Base Prospectus for the purposes of Article 5.4 of the Prospectus Directive (save that the General Conditions, together with any applicable Annexes and Schedules, set forth in the original Base Prospectus (and which shall be attached to these Final Terms) shall continue to apply to the Securities, and the General Conditions, together with any applicable Annexes and Schedules, set forth in the Updated Base Prospectus shall not apply to the Securities).]

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should either (i) remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs, or (ii) be revised based on the deletion of all individual paragraphs that are "Not Applicable". Italics denote guidance for completing the Final Terms.]

[When completing any final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | | |
|----|--------|------------|---|
| 1. | [(i)] | Issuer: | [J.P. Morgan Structured Products B.V./ J.P. Morgan Bank Dublin plc/J.P. Morgan Indies SRL/JPMorgan Chase Bank, N.A. / JPMorgan Chase & Co.] |
| | [(ii)] | Guarantor: | JPMorgan Chase Bank, N.A. ¹² /JPMorgan Chase & Co. ^{13]} |

¹¹ Include if listed on the Luxembourg Stock Exchange.

¹² Include for Securities issued by JPMSP.

¹³ Include for Securities issued by JPMBD or by JPML.

2.

[(i)]	Series Number:	[●]
[(ii)]	Tranche Number:	[●]

(If fungible with an existing Series, details of that Series, including the date on which the Securities become fungible.)]
3.

Specified Currency or Currencies:		[●]
--	--	-------
4.

Notes, Warrants or Certificates:		[Notes/Warrants/Certificates]
---	--	-------------------------------
5.

[Aggregate Nominal Amount/Aggregate Notional Amount/ [Number of Warrants/Certificates]:		[Up to] [●]
[(i)]	Series:	[Up to] [●] [being the equivalent of [up to] [●] Units (<i>insert only if Trading in Units is specified as applicable below</i>)]
[(ii)]	[Tranche:	[Up to] [●]]
6.

Issue Price:		[[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [<i>insert date</i>] (<i>in the case of fungible issues of Notes only, if applicable</i>)] [[<i>amount in specified currency</i>] per Unit (<i>for Notes booked in Units</i>)]/[●] per [Warrant/Certificate] [<i>specify percentage of Notional Amount if booked in notional</i>]
---------------------	--	--

The Issue Price specified [on/at [paragraph]/above] may be more than the market value of the Securities as at the Issue Date, and the price, if any, at which the Dealer 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

If any commissions or fees relating to the issue and sale of these Securities have been paid or are payable by the [Dealer/Issuer [*refer to Issuer in the case of public offers in Italy*]] to an intermediary, then such intermediary may be obliged to fully disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC), or as otherwise may apply in any non-EEA jurisdictions

Investors in these Securities intending to invest in Securities through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof

- (i) Specified Denomination/ Notional Amount per [Warrant/Certificate] (if Warrants or Certificates are trading in notional): [●]
- (ii) Trading in Units (Notes): [Applicable: One Note (of the Specified Denomination) equals one Unit/ Not Applicable]
- If Trading in Units is specified to be Applicable then the Notes will be tradable by reference to the number of Notes being traded (each having the Specified Denomination) as opposed to the aggregate principal amount of Notes being traded
- [Trading in Units may only be specified to be Applicable if the Notes have a single Specified Denomination]
- (iii) [Minimum trading size: [●]]
7. **Issue Date:** [●]¹⁴
8. **Maturity Date/ Settlement Date/Redemption Date:**¹⁵ [●]¹⁶
- (specify Maturity Date if Notes, Settlement Date if Warrants and Redemption Date and Settlement Date if Certificates)

PROVISIONS APPLICABLE TO NOTES

(If Notes: retain paragraphs 9-22. If Warrants or Certificates: (i) insert "Paragraphs 9-22 are intentionally deleted"; (ii) delete paragraphs 9-22)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE¹⁷

9. **[Interest Commencement Date:** [Specify/Issue Date]
10. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)

¹⁴ In the case of Market Access Participation Notes insert "Settlement Date".

¹⁵ In the case of Securities which are (i) Notes, specify "Maturity Date", (ii) Certificates, specify "Settlement Date and Redemption Date", and (iii) Warrants, specify "Settlement Date".

¹⁶ In the case of Market Access Participation Notes insert "Maturity Date – see Paragraph 1 (Redemption and Purchase) of the Market Access Participation Provisions".

¹⁷ In the case of Market Access Participation Notes, items 9, 10, 11, 12, 14 and 15 shall be "Not Applicable".

- (i) Rate [(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrears][(subject as provided in (iii) below)]
 - (ii) Interest Payment Date(s): [●] [in each year]
 - (iii) Fixed Coupon Amount[(s)]: [●] per [●] in nominal amount [(for the avoidance of doubt, the amount of interest payable on each Interest Payment Date shall be the Fixed Coupon Amount)]
 - (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate]*
 - (v) Day Count Fraction (General Condition 4.1): [30/360 or Actual/Actual (ICMA) or specify other]
 - (vi) Interest Determination Date(s): [●] in each year (*insert regular interest payment dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon. N.B., only relevant where Day Count Fraction is Actual/Actual (ICMA))*)
 - (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
11. **Floating Rate Note Provisions:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [●]
 - (ii) Interest Payment Dates: [●]
 - (iii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/ other (*give details*)]
 - (iv) Day Count Fraction: [●]
 - (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
 - (vi) Screen Rate Determination (General Condition 4.2(b)(ii)):
 - Relevant Time: [●]
 - Interest Determination Date: [[●][TARGET Settlement] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Period/each Interest Payment Date]]

- Primary Source for Floating Rate: *[Specify relevant screen page or "Reference Banks"]*
 - Reference Banks (if Primary Source is "Reference Banks"): *[Specify five]*
 - Relevant Financial Centre: *[The financial centre most closely connected to the Benchmark - specify if not London]*
 - Benchmark: *[LIBOR, LIBID, LIMEAN 0, EURIBOR or other benchmark]*
 - Representative Amount: *[Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]*
 - Effective Date: *[Specify if quotations are not to be obtained with effect from commencement of Interest Period]*
 - Specified Duration: *[Specify period for quotation if not duration of Interest Period]*
- (vii) ISDA Determination (General Condition 4.2(b)(i)): **[●]**
- Floating Rate Option: **[●]**
 - Designated Maturity: **[●]**
 - Reset Date: **[●]**
- (viii) Margin(s): **[+/-][●]** per cent. per annum
- (ix) Minimum Rate of Interest: **[●]** per cent. per annum/Not Applicable
- (x) Maximum Rate of Interest: **[●]** per cent. per annum/Not Applicable
- (xi) Rate Multiplier: **[●]**
- (xii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions: **[●]**
12. **Zero Coupon Note Provisions:** **[Applicable/Not Applicable]**¹⁸
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield (General Condition 4.4): **[●]** per cent. per annum
 - (ii) Day Count Fraction: **[●]**

¹⁸ In the case of Market Access Participation Notes insert "Applicable – see also the Coupon Amount provisions in the Market Access Participation Provisions".

- (iii) Any other formula/basis of ☐ determining amount payable:
13. **Variable Linked Interest Provisions:** ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Type of Interest: ☐ [Share Linked Interest/Index Linked Interest/Commodity Linked Interest/FX Linked Interest] *(delete non-applicable terms) (or specify other variable)*
- (ii) Provisions for determining Rate of Interest or Interest Amount where calculated by reference to Share/Index/Commodity/FX Rate: *(Set out formula in full here, or refer to Part C and set out in full in Part C)*
- (iii) Interest Determination Date(s): ☐
- (iv) Interest Payment Dates: ☐
- (v) Provisions for determining Rate of Interest or Interest Amount where calculation by reference to Share/Index/Commodity/FX Rate is impossible or impracticable or otherwise disrupted: The ☐ [Share Linked Provisions/Index Linked Provisions/Commodity Linked Provisions/FX Linked Provisions] are applicable
- (vi) Day Count Fraction: ☐
14. **Dual Currency Note Provisions:** ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate of Exchange/Method of calculating Rate of Exchange: ☐ [Give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: ☐
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: ☐
- (iv) Person at whose option Specified Currency(ies) is/are payable: ☐
- (v) Day Count Fraction: ☐

PROVISIONS RELATING TO REDEMPTION OF NOTES¹⁹

15. Call Option: ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*

¹⁹

In the case of Market Access Participation Notes, items 15, 16, 19, 20, 21 and 22 shall be "Not Applicable".

- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) [●] per Note of [●] Specified Denomination and method, if any, of calculation of such amount(s):
 - (iii) If redeemable in part: [●]
 - (a) Minimum nominal amount [●] to be redeemed:
 - (b) Maximum nominal amount [●] to be redeemed:
 - (iv) Description of any other Issuer's option: [●]
 - (v) Notice period (if other than as set out in General Condition 5.1): [As specified in General Condition 5.1 / other (specify)]
16. **Put Option:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) [●] per Note of [●] Specified Denomination and method, if any, of calculation of such amount(s):
 - (iii) Description of any other Holders' option: [●]
 - (iv) Notice period (if other than as set out in General Condition 5.2): [As specified in General Condition 5.2 / other (specify)]
17. **Final Redemption Amount:** [[●] per Note of [●] Specified Denomination (or insert formula for calculation of Final Redemption Amount)]²⁰
- In cases where the Final Redemption Amount is Share Linked, Index Linked, Commodity Linked, FX Linked or other variable linked:
- (i) Reference Asset(s): [As specified below/Other (specify)]
 - (ii) Provisions for determining Final Redemption Amount where calculated by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable: [●]
 - (iii) Provisions for determining Final Redemption Amount where calculation by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable: [[See paragraph[s] 42/43/44/45] (or specify other)]

²⁰

In the case of Market Access Participation Notes insert "In respect of each Note, the Redemption Value – see the Market Access Participation Provisions".

is impossible or impracticable or otherwise disrupted:

18. Early Payment Amount:

- (i) Early Payment Amount(s) payable on redemption for taxation reasons (General Condition 5.7), an event of default (General Condition 16) or termination events (General Condition 17) and/or the method of calculating the same (if required or if different from that set out in the General Conditions): [As set out in General Condition 31 (*or specify other*)]²¹ [As set out in General Condition 5.5 [*insert for Zero Coupon Notes*]]
- (ii) (If Interest Payment Dates are specified in these Final Terms) redemption for taxation reasons permitted only on Interest Payment Dates (General Condition 5.7): [Yes/No/Not Applicable]²²

19. Credit Linked Note Provisions:

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Reference Entity (or Entities): [●]
- (ii) Credit Event(s): [●]
- (iii) Calculation Agent responsible for determining the occurrence of a Credit Event(s) and amount payable/deliverable in the event of redemption resulting from such Credit Event(s): [*specify*]
- (iv) Relevant provisions on the occurrence of a Credit Event(s): [●]

(NB: Amendments will be required to the General Conditions (including General Conditions 3 and 5))

- (v) Other terms or special conditions: [●]

20. Details relating to Instalment Notes:

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Instalment Amount(s): [●]
- (ii) Instalment Date(s): [●]
- (iii) Minimum Instalment Amount: [●]
- (iv) Maximum Instalment Amount: [●]

²¹ In the case of Market Access Participation Notes insert "Not Applicable – See the Market Access Participation Provisions".

²² In the case of Market Access Participation Notes insert "Not Applicable – See the Market Access Participation Provisions".

21. **Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):** [Yes/No/Not Applicable. *If yes, give details. Applicable to Bearer Notes only*]
22. **Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:** [Not Applicable/*give details*]

PROVISIONS APPLICABLE TO WARRANTS

(If Warrants: retain paragraphs 23-34. If Notes or Certificates: (i) insert "Paragraphs 23-34 are intentionally deleted"; (ii) delete paragraphs 23-34)

23. **European, American or Bermudan Style:** [European/American/Bermudan] Style²³
24. **Automatic Exercise:** [●]
25. **Expiration Date:** [●]
26. **Expiration Date subject to Valuation Date adjustment:** [Applicable / Not Applicable]
27. **Potential Exercise Date(s):** [[●] / Not Applicable] (For Bermudan style Warrants only)
28. **Potential Exercise Date subject to Valuation Date adjustment:** [Applicable / Not Applicable]
(For Bermudan style Warrants only)
29. **Exercise Amount:** [●]
30. **Exercise Date(s)/Period:** [●]
31. **Minimum Exercise Number:** [●]
32. **Maximum Exercise Number:** [●]
33. **Cash Settlement/ Issuer Physical Settlement/ Holder Physical Settlement:** [Cash Settlement/Issuer Physical Settlement/Holder Physical Settlement/ other (*specify*)] is applicable
34. **Settlement Amount:** [[●]/See Part [C]/Not Applicable]
- In cases where the Settlement Amount is Share Linked, Index Linked, Commodity Linked, FX Linked or other variable linked:
- (i) **Reference Asset(s):** [As specified below/Other (*specify*)]
- (ii) **Provisions for determining Settlement Amount where calculated by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable:** [As specified below/Other (*specify*)]

²³ Specify "American Style" in respect of all Low Exercise Price Warrants.

- (iii) Provisions for determining Settlement Amount where calculation by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable is impossible or impracticable or otherwise disrupted: [[See paragraphs[s] [43/44/45/46] (*or specify other*)]]

[PROVISIONS APPLICABLE TO CERTIFICATES]

(If Certificates: retain paragraphs 35-40. If Notes or Warrants: (i) insert "Paragraphs 35-40 are intentionally deleted"; (ii) delete paragraphs 35-40)

35. **Cash Settlement/Physical Settlement:** [Cash Settlement is applicable/Physical Settlement is applicable]/Cash Settlement and/or Physical Settlement is applicable]
36. **Non-U.S. Certification:** [Applicable/Not Applicable]
37. **Eligible Investor Certification:** [Applicable/Not Applicable]
38. **Redemption Amount:** [[●]/See Part C/Not Applicable]

In cases where the Redemption Amount is Share Linked, Index Linked, Commodity Linked, FX Linked or other variable linked:

- (i) Reference Asset(s): [As specified below in paragraph[s] 43/44/45/46 Other (*specify*)]
- (ii) Provisions for determining Redemption Amount where calculated by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable: [As specified below/Other (*specify*)]
- (iii) Provisions for determining Redemption Amount where calculation by reference to Share and/or Index and/or Commodity and/or FX Rate and/or other variable is impossible or impracticable or otherwise disrupted: [[See paragraph[s] 43/44/45/46] (*or specify other*)]
39. **Exercise applicable to Certificates (General Condition 10):** [Applicable/Not Applicable]
(If applicable, specify provisions)
40. **Minimum Transferable Amount:** [●]²⁴

CERTIFICATE COUPON PROVISIONS

41. Certificate Coupon Provisions (General Condition 8): [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

²⁴ Only applicable for Italian Certificates.

- (i) Notional Amount: [●]
- (ii) Coupon Period(s)/ Coupon Payment Dates: [●]
- (iii) Fixed Rate Coupon/ Coupon Amount: [●] *(Insert rate or amount. If payment of the Coupon Amount is contingent, specify)*
- (iv) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other *(give details)*]
- (v) Day Count Fraction: [[●] / [Not Applicable]]
42. **Certificate Floating Rate Coupon Provisions (General Condition 8.3):** [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Floating Rate Coupon Period(s): [●]
- (ii) Floating Rate Coupon Payment Dates: [●]
- (iii) Floating Rate Coupon Commencement Date: [●]
- (iv) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/other *(give details)*]
- (v) Day Count Fraction: [●]
- (vi) Manner in which the Floating Rate Coupon is/are to be determined: [Screen Rate Determination/ISDA Determination/other *(give details)*]
- (vii) Screen Rate Determination for Floating Rate Coupon (General Condition 8.3(b)(ii)):
- Relevant Time: [●]
 - Floating Rate Coupon Determination Date: [[●][TARGET Settlement] Business Days in [specify city] for [specify currency] prior to [the first day in each Floating Rate Coupon Period/each Floating Rate Coupon Payment Date]]
 - Primary Source for Floating Rate: [*Specify relevant screen page or "Reference Banks"*]
 - Reference Banks (if Primary Source is "Reference Banks"): [*Specify five*]
 - Relevant Financial Centre: [*The financial centre most closely connected to the Benchmark - specify if not London*]

- Benchmark: *[LIBOR, LIBID, LIMEAN 0, EURIBOR or other benchmark]*
- Representative Amount: *[Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]*
- Effective Date: *[Specify if quotations are not to be obtained with effect from commencement of Floating Rate Coupon Period]*
- Specified Duration: *[Specify period for quotation if not duration of Floating Rate Coupon Period]*
- (viii) ISDA Determination for Floating Rate Coupon (General Condition 8.3(b)(i)): ☐
- Floating Rate Option: ☐
- Designated Maturity: ☐
- Reset Date: ☐
- (ix) Margin(s): *[+/-][●] per cent. per annum*
- (x) Minimum Rate of Floating Rate Coupon: *[[●] per cent. per annum/Not Applicable]*
- (xi) Maximum Rate of Floating Rate Coupon: *[[●] per cent. per annum/Not Applicable]*
- (xii) Rate Multiplier: ☐
- (xiii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating the Floating Rate Coupon on Certificates, if different from those set out in the General Conditions: ☐

SPECIFIC PRODUCT PROVISIONS APPLICABLE TO THE SECURITIES

SHARE LINKED PROVISIONS

43. **Share Linked Provisions:** *[Applicable / Not Applicable]*
- (If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Single Share or basket of Shares: *[Single Share / Basket of Shares]*
 - (ii) Share(s): *[Name of Share/Share(s) (Bloomberg Code(s): [●]; ISIN(s): [●])]*
 - (iii) Exchange(s): ☐
 - (iv) Related Exchange(s): *[[●] / All Exchanges]*
 - (v) Initial Valuation Date(s): *[Not Applicable / [●]]*

- | | | |
|---------|---|--|
| (vi) | Interest Valuation Date(s): | [Not Applicable / [●]] |
| (vii) | Periodic Valuation Date(s): | [Not Applicable/ [●]] |
| (viii) | Valuation Date(s): | [Not Applicable / [●]] |
| (ix) | Initial Averaging Date(s): | [Not Applicable / [●]] |
| (x) | Averaging Date(s): | [Not Applicable / [●]] |
| (xi) | Valuation Time: | [As specified in Share Linked Provision 9 / Other (<i>specify</i>)] |
| (xii) | Maximum Days of Disruption: | [Eight Scheduled Trading Days as specified in Share Linked Provision 9 / Zero / None / Other (<i>specify</i>)] |
| (xiii) | Averaging Reference Dates (Disrupted Day consequences): | [Applicable / Not Applicable]. [<i>If Not Applicable, delete the remaining subparagraphs of this paragraph</i>] |
| | (a) Omission: | [Applicable / Not Applicable] |
| | (b) Postponement: | [Applicable / Not Applicable] |
| | (c) Modified Postponement: | [Applicable / Not Applicable] |
| (xiv) | Fallback Valuation Date: | [Applicable: <i>specify date(s)</i> / second Business Day prior to payment date as specified in Share Linked Provision 9 / Not Applicable] |
| (xv) | Share Substitution: | [Applicable / Not Applicable] |
| (xvi) | Hedging Disruption: | [Applicable / Not Applicable] |
| (xvii) | Insolvency Filing: | [Applicable / Not Applicable] |
| (xviii) | Partial Lookthrough Depository Receipts Provisions: | [Applicable / Not Applicable]. |

INDEX LINKED PROVISIONS

- | | | |
|-------|------------------------------------|---|
| 44. | Index Linked Provisions: | [Applicable / Not Applicable]

<i>(If Not Applicable, delete the remaining subparagraphs of this paragraph)</i> |
| (i) | Single Index or basket of Indices: | [Single Index / Basket of Indices] |
| (ii) | Index/Indices: | [<i>Name of Index/Indices (Bloomberg Code(s): [●])</i>] |
| (iii) | Type of Index: | [Unitary Index / Multi-Exchange Index / Proprietary Index] |
| (iv) | Exchange(s): | [●] |
| (v) | Related Exchange(s): | [[●] / All Exchanges] |
| (vi) | Index Sponsor: | [[●] / As specified in Index Linked Provision 7] |

- (vii) Initial Valuation Date(s): [Not Applicable / [●]]
- (viii) Interest Valuation Date(s): [Not Applicable / [●]]
- (ix) Periodic Valuation Date(s): [Not Applicable / [●]]
- (x) Valuation Date(s): [Not Applicable / [●]]
- (xi) Initial Averaging Date(s): [Not Applicable / [●]]
- (xii) Averaging Date(s): [Not Applicable / [●]]
- (xiii) Valuation Time: [As specified in Index Linked Provision 7 / Other (*specify*)]
- (xiv) Maximum Days of Disruption: [Eight Scheduled Trading Days as specified in Index Linked Provision 7 / Zero / None / Other (*specify*)]
- (xv) Averaging Reference Dates (Disrupted Day consequences): [Applicable / Not Applicable] [*If Not Applicable, delete the remaining sub-paragraphs of this paragraph*]
 - (a) Omission: [Applicable / Not Applicable]
 - (b) Postponement: [Applicable / Not Applicable]
 - (c) Modified Postponement: [Applicable / Not Applicable]
- (xvi) Fallback Valuation Date: [Applicable: specify date(s) / second Business Day prior to payment date as specified in Index Linked Provision 7 / Not Applicable]
- (xvii) Hedging Disruption: [Applicable / Not Applicable]

COMMODITY LINKED PROVISIONS

45. **Commodity Linked Provisions:** [Applicable / Not Applicable]
- (If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Commodity/ies or Commodity Index/ices: [Commodity/ies / Commodity Index/ices]
 - (ii) Securities are linked to one or more Commodities: [Yes / No] [*If No, delete the sub-paragraphs below*]
 - (a) Name of Commodity(ies): [Name of Commodity(ies)]
 - (b) Commodity Reference Price(s): [[●] / [Commodity – Reference Dealers: [●]]]
 - (c) Futures Contract: [[●] / [Not Applicable]]
 - Futures Contract – Expiry Date Roll: [Applicable / Not Applicable]
 - Futures Contract – Delivery Date Roll: [Applicable / Not Applicable]

- (d) Exchange(s): [●]
- (e) Specified Price(s): [high price / low price / average of high price and low price / closing price / opening price / bid price / asked price / average of bid price and asked price / settlement price / official settlement price / official price / morning fixing / afternoon fixing / spot price / other price (*specify*)]
- (f) Unit(s): [Not Applicable / Other (*specify if Commodity Reference Dealer is specified under Commodity Reference Price*)]
- (g) Delivery Date(s): [●]
- (h) Price Source(s): [●]
- (i) Screen Page: [[●] / [Not Applicable]]
- (j) Commodity Business Day Convention/
Bullion Business Day Convention: [Following / Modified Following / Nearest / Preceding / No Adjustment]
- (iii) Initial Pricing Date(s): [●]
- (iv) Pricing Date(s): [●], subject to adjustment in accordance with the [Commodity Business Day Convention/Bullion Business Day Convention/Trading Day Convention]
- (v) Market Disruption Events for Securities linked to one or more Commodities:
- (a) Disappearance of Commodity Reference Price: [Applicable / Not Applicable]
- (b) Material Change in Content: [Applicable / Not Applicable]
- (c) Material Change in Formula: [Applicable / Not Applicable]
- (d) Price Source Disruption: [Applicable / Not Applicable]
- (e) Price Materiality Percentage: [Not Applicable / Applicable - [●]]
- (f) Trading Disruption: [Applicable / Not Applicable]
- (g) Tax Disruption: [Applicable: Initial Pricing Date / Issue Date / Not Applicable]
- (h) Other: [Not Applicable / Applicable – (*specify*)]

- (vi) Disruption Fallbacks for Securities linked to one or more Commodities:
- (a) Fallback Reference Price: [Not Applicable / Applicable – to be applied [first / second / third / fourth / fifth / sixth]: alternate Commodity Reference Price(s) - [●]]
 - (b) Delayed Publication or Announcement: [Not Applicable / Applicable – to be applied [first / second / third / fourth / fifth / sixth]]
 - (c) Postponement: [Not Applicable / Applicable – to be applied [first / second / third / fourth / fifth / sixth]: Maximum Days of Disruption - [Five [Commodity/Bullion] Business Days as specified in Commodity Linked Provision 10 / [●]]
 - (d) Fallback Reference Dealers: [Not Applicable / Applicable – to be applied [first / second / third / fourth / fifth / sixth]: [Bullion] Reference Dealers - [●]]
 - (e) Calculation Agent Determination: [Not Applicable / Applicable – to be applied [first / second / third / fourth / fifth / sixth]]
 - (f) Other: [Not Applicable / Applicable – to be applied [first / second / third / fourth / fifth / sixth]: *specify*]
- (vii) Common Pricing: [Applicable / Not Applicable]
- (viii) Fallback Pricing Date: [Applicable: specify date(s) / second Business Day prior to payment date as specified in Commodity Linked Provision 5 / Not Applicable]
- (ix) Commodity Hedging Disruption: [Applicable: Trade Date (*specify if applicable*)/Issue Date/ Not Applicable]
- (x) Hedging Disruption: [Applicable / Not Applicable]
- (xi) Securities are linked to one or more Commodity Indices: [Applicable/Not Applicable] [If Not Applicable, delete the sub-paragraphs of this paragraph]
- (a) Name of Commodity Index / Indices: [●]
 - (b) Commodity Index Sponsor(s): [[●] / As specified in Commodity Linked Provision 11]
 - (c) Commodity Index Sponsor Business Centre(s): [●]
 - (d) Trading Day Convention: [Following / Modified Following / Nearest / Preceding / No Adjustment]

FX LINKED PROVISIONS

46. FX Linked Provisions: [Applicable / Not Applicable]
- (If Not Applicable, delete the remaining sub-*

paragraphs of this paragraph)

- | | | |
|---------|---------------------------------------|--|
| (i) | Single FX Rate or basket of FX Rates: | [Single FX Rate / Basket of FX Rates] |
| (ii) | FX Rate(s): | [Definition of applicable FX Rate(s)] |
| (iii) | Reference Currency: | [●] |
| (iv) | Base Currency: | [●] |
| (v) | FX Price Source: | [●] |
| (vi) | FX Rate Sponsor: | [Not Applicable / [●]] ²⁵ |
| (vii) | Number of FX Settlement Days: | [Not Applicable / [●]] ²⁶ |
| (viii) | Initial Valuation Date(s): | [Not Applicable / [●]] |
| (ix) | Interest Valuation Date(s): | [Not Applicable / [●]] |
| (x) | Valuation Date(s): | [Not Applicable / [●]] |
| (xi) | Initial Averaging Date: | [Not Applicable / [●]] |
| (xii) | Averaging Date(s): | [Not Applicable / [●]] |
| (xiii) | FX Financial Centres: | [●] |
| (xiv) | FX Business Day Convention: | [Following / Modified Following / Nearest / Preceding / No Adjustment] |
| (xv) | Valuation Time: | [Not Applicable / [●]] |
| (xvi) | FX Disruption Events: | [Price Source Disruption and/or Inconvertibility Event as specified in FX Linked Provision 7 / Other (<i>specify</i>)] |
| (xvii) | Disruption Fallbacks: | |
| | (a) Calculation Agent Determination: | [Not Applicable / Applicable – to be applied [first / second / third / fourth] |
| | (b) Currency Reference Dealers: | [Not Applicable / Applicable – to be applied [first / second / third / fourth: Reference Dealers – as specified in FX Linked Provision 7 / Other (<i>specify</i>)] |
| | (c) Fallback Reference Price: | [Not Applicable / Applicable – to be applied [first / second/ third / fourth] |
| | (d) Other: | [Not Applicable / Applicable – to be applied [first / second / third / fourth] |
| (xviii) | Averaging Reference Dates – Omission: | [Not Applicable / Applicable] |
| (xix) | Fallback Valuation Date: | [Applicable: specify date(s) / second Business Day prior to payment date as specified in FX Linked Provision 7 / Not |

²⁵ Usually applicable in respect of emerging market currencies.

²⁶ Usually applicable in respect of emerging market currencies.

	Applicable]
(xx) Successor Currency:	[Not Applicable / Applicable]
(xxi) Rebasing:	[Not Applicable / Applicable]
(xxii) Hedging Disruption:	[Not Applicable / Applicable]

MARKET ACCESS PARTICIPATION PROVISIONS

47. **Market Access Participation Provisions:** [Applicable / Not Applicable]

(If Not Applicable, delete the remaining subparagraphs of this paragraph)

[If Applicable, choose either of the following options:

- (i) *specify: "Applicable, and the following terms as set forth in Participation Note Provision 4 (Definitions) shall have the following meanings: (definitions should be included for each of: "Coupon Exchange Rate", "Coupon Payment Date", "Coupon Period", "Exchange Rate", "Handling Charge", "Investment Regulations", "Minimum Redemption Number", "Redemption Charge", "Redemption Date", "Relevant Country", "Relevant Exchange", "Settlement Date", "Trade Date", "Underlying Company" and "Underlying Shares"); or*
- (ii) *specify: "Applicable, provided that the Market Access Participation Provisions as set forth in Annex 5 of the General Conditions are replaced [in their entirety] [in part (as applicable)] by the applicable terms set forth in Part C hereof".*

LOW EXERCISE PRICE WARRANT PROVISIONS

48. **Low Exercise Price Warrant Provisions:** [Applicable/Not Applicable]

(If Not Applicable, delete the remaining subparagraphs of this paragraph)

[If Applicable, choose either of options (i) and (ii) and choose "Applicable" or "Not Applicable" under option (iii):

- (i) *specify: "Applicable, and the following terms as set forth in LEPW Provision 7 (Definitions) shall have the following meanings: (definitions should be included for each of: "Exchange", "Share"; and "Trade Date" and for "Settlement Amount",*

*"Settlement Date" and "Strike Price"
(where different from the default in
LEPW Provision 7); or*

- (ii) *specify: "Applicable, provided that the LEPW Provisions as set forth in Annex 6 of the General Conditions are replaced [in their entirety] [in part (as applicable)] by the applicable terms set forth in Part C hereof"; and*
- (iii) *specify: "Applicable, provided that for the purposes of LEPW Provision 4.2, QFII Events shall be [applicable/not applicable].*

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

49. **New Global Note:** [Yes/No] [Not Applicable]²⁷
50. **Form of Securities:** [Bearer Securities / Registered Securities / Finnish Securities / Norwegian Securities / Swedish Securities / Danish Notes/ Swiss Securities / French Bearer Securities (au porteur) / French Registered Securities in a registered dematerialised form (au nominatif) / Italian Certificates / CREST Securities]
[Delete as appropriate]
- (i) Temporary or Permanent Bearer Global Security / Registered Global Security: [if bearer, and not French Bearer Securities] [Temporary Bearer Global Security exchangeable for a Permanent Bearer Global Security (or, at the request of a Holder, for Bearer Definitive Securities) which is exchangeable for Bearer Definitive Securities (i) automatically in the limited circumstances specified in the Permanent Bearer Global Security, (ii) at any time at the option of the Issuer by giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange or (iii) at any time at the request of a Holder, in each case on the terms as set forth in the relevant Bearer Global Security]
- [if registered, and not French Registered Securities/ Swedish / Danish / Finnish / Norwegian / Rule 144A Securities]
[Temporary Registered Global Security which is exchangeable for a Permanent Registered Global Security, which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the Permanent Registered Global Security or (ii) at any time at the option of the Issuer by giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange

²⁷

Specify "Yes" or "No" with respect to Bearer Notes in global form. For all other Securities specify "Not Applicable".

on the terms as set forth in the relevant Registered Global Security]

[*if Rule 144A Securities*] [Registered Global Security which is exchangeable for Registered Definitive Securities in the limited circumstances specified in the Registered Global Security]

[Not Applicable] (*include for Swedish / Danish / Finnish / Norwegian / French / Swiss Securities*)

- (ii) Are the Notes to be issued in the form of obligations under French law? [Yes / No]²⁸
- (iii) Name of Registration Agent (*only if French Securities and the Notes are in a fully registered form (au nominatif pur) and if the Notes are not inscribed with the Issuer*) [[●]/Not Applicable]
- (iv) Representation of holders of Notes²⁹/ Masse: [Not Applicable / Applicable / General Condition 23.3 replaced by the full provisions of French Code de Commerce relating to the Masse] (*Note that: (i) in respect of any Tranche of Notes issued outside France, General Condition 23.3 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, General Condition 23.3 must be waived in its entirety and replaced by the provisions of French Code de Commerce relating to the Masse. If General Condition 23.3 (as it may be amended or supplemented) applies or if the full provisions of French Code de Commerce apply, insert details of Representative and Alternative Representative and remuneration, if any*)
- (v) Applicable TEFRA exemption: [TEFRA D Rules/Not Applicable]³⁰

51. **Record Date:** [As set out in the General Conditions] [The Record Date for the Registered Global Securities is close of business of the [●] Business Day before the relevant Payment Date] [Not Applicable] (*Only applicable to Registered Securities*)

²⁸ Please select "Yes" only if the Notes have a Specified Denomination of at least EUR 0.1, the Series comprises at least five Notes, the holders of the relevant Notes are grouped in a Masse in accordance with General Condition 23.3 (*Meetings of Holders of French Notes (Masse)*) and all Notes confer the same rights against the Issuer at any time.

²⁹ The provisions of the French *Code de Commerce* relating to the Masse of Holders of Notes are applicable in full to French domestic issues of Notes. Pursuant to Article L.228-90 of the French *Code de Commerce*, the Masse provisions contained in the French *Code de Commerce* are NOT applicable to international issues (*emprunt émis à l'étranger*); accordingly, international issues may have no Masse provisions at all or the Masse provisions contained in the French *Code de Commerce* may be varied along the lines of the provisions of General Condition 23.3 (*Meetings of Holders of French Notes (Masse)*).

³⁰ TEFRA D applies to Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes), Finnish Notes and Swedish Notes and other Securities in bearer form for U.S. tax purposes.

52. **Additional Financial Centre(s) (General Condition 13.2) or other special provisions relating to payment dates:** [Not Applicable/Give details. Note that this item relates to the place of payment]
53. **Payment Disruption Event (General Condition 14):** [Applicable/Not Applicable/specify other]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Relevant Currencies: [Not Applicable/give details]
- (ii) Relevant Payment Jurisdiction: [Not Applicable/give details]
- (iii) Payment Event Cut-off Date: [Not Applicable/Applicable/specify other]
54. **Physical Delivery:** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Reference Asset(s): [●]
- (ii) Reference Asset Amount: [Express per lowest specified denomination in the case of Notes]
- (iii) Residual Cash Amount: [●]
- (iv) Physical Delivery Cut-off Date: [●]
- (v) Relevant Clearing System: [●]
- (vi) Delivery Agent if other than as set out in the General Conditions: [●]
- (vii) Disruption Cash Settlement Price: [●]
- (viii) Other terms or special conditions: [●]
55. **Calculation Agent:** [J.P. Morgan Securities Ltd. / J.P. Morgan Securities Inc.]
56. **Redenomination, renominatisation and reconventioning provisions:** [Not Applicable / General Condition 21 is applicable]
57. **Gross Up (General Condition 18):** [Not Applicable / Applicable – as specified in General Condition 18.1 / Other (specify)]
58. **Other final terms or special conditions:** [Not Applicable/Applicable - see Part C /give details. In the case of Norwegian Notes specify if investors have to provide Form W-8]

(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)

DISTRIBUTION

59. **If non-syndicated, name and address of Dealer:** [J.P. Morgan Securities Ltd. [of 125 London Wall, London EC2Y 5AJ]]/[J.P. Morgan Securities Inc. of 383 Madison Avenue, 5th Floor, New York, NY 10179, United States of America] [(include JPMSI for Rule 144A Securities)]
- [Insert in the case of public offers in Italy.]
- [For the avoidance of doubt, the Dealer will not act as distributor.]
- [Responsabile del Collocamento]:** [[●] is the *Responsabile del Collocamento* (the Lead Manager), in relation to the public offer in Italy since it has organised the placing syndicate by appointing the distributors.] [For the avoidance of doubt, the Lead Manager will not act as distributor/placer and will not place the Notes in Italy.] [To be included in the case of public offers in Italy.]
60. **Stabilising Manager(s) (if any):** [Not Applicable] [give name]
- (i) If syndicated, [names of Managers] [names and addresses of Managers and underwriting commitments]: [Not Applicable/give names, addresses and underwriting commitments [Not applicable with respect to public offers in Italy]]
- [(Include (a) names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names, addresses and commitments of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers and (b) process for notification of applicants of the amount allotted and indication whether dealing may begin before notification is made. Where not all of the issue is underwritten, include statement of the portion not covered.) Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment]
- (ii) [Date of Subscription Agreement: [●]]
61. **Total commission and concession:** [[●] per cent. of the Aggregate Nominal Amount / See paragraph 6 / Not Applicable]
62. **U.S. selling restrictions:** [Regulation S/Rule 144A)]
- (insert for Finnish Notes and Swedish Notes)
Upon subscription or purchase of a Note, each subscriber or purchaser will be required to confirm and certify that it has fully understood the Certification appearing below (or a translation thereof into [Finnish/Swedish]), and that it confirms that

it fully complies with and agrees to such Certification and makes the undertakings and authorisations set out therein:

Certification

This is to certify that the purchaser and owner of the Notes (i) is not a citizen or resident of the United States, a partnership, corporation or other entity created or organised under the laws of the United States, an estate the income of which is subject to United States Federal income taxation regardless of its source or a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or such trust has otherwise validly elected to be treated as a United States person, and (ii) is not purchasing the Notes for purposes of resale during the 40-day period beginning on the issue date for the Notes

We undertake to advise you promptly on or prior to the date on which you intend to submit your certification relating to the Notes held by you for our account in accordance with your documented procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date

We understand that this certification is required in connection with certain tax laws of the United States. In connection therewith, if administrative and legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorise you to produce this certification to any interested party in such proceedings

Purchasers of Notes with an original maturity of more than 183 days are subject to the following:

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES.

Purchasers of Notes issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. with an original maturity of 183 days or less are subject to the following:

BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).

[TEFRA D Rules – The Securities are for U.S. tax law purposes "bearer obligations" and will be issued in compliance with the TEFRA D Rules (*insert for Securities to which the TEFRA D Rules have been specified to be applicable in paragraph 48(v) above and for Finnish/Swedish Notes*).] [The Securities will constitute "registration required obligations" issued in registered form for U.S. federal income tax purposes (*insert for Securities to which the TEFRA D Rules have been specified not to be applicable in paragraph 48(v) above*)]

ERISA Restrictions for all Securities (including Rule 144A Securities and Securities subject to Regulation S)

[*If Securities are issued by JPMSP, JPMBD or JPMI follow paragraph (i).*]

[*If Securities are issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co, follow paragraph (ii)*]

[*(i) If Securities are being issued by JPMSP, JPMBD or JPMI, insert either subparagraphs (A) or (B) below (as applicable):*

[*(A) If the Securities are being issued by JPMSP, JPMBD or JPMI, then, unless subparagraph (B) immediately below applies, insert the following (which is the standard default position for JPMSP, JPMBD and JPMI):*] [[JPMSP/JPMBD/JPMI] Standard Restrictions apply: The Securities may not be acquired by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of

1986, as amended, other than certain insurance company general accounts. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (m) ERISA Legends – (ii) JPMSP, JPMBD or JPMI issued Securities – (x) JPMSP/JPMBD/JPMI Standard Legend" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (bb) ERISA Restrictions – (ii) JPMSP, JPMBD or JPMI issued Securities – (x) JPMSP/JPMBD/JPMI Standard Restrictions" in the Base Prospectus.]

[(B) If the Securities are being issued by JPMSP, JPMBD or JPMI, then, only if the Issuer has satisfied itself (through an opinion of ERISA counsel or otherwise) that the Securities do not constitute equity interests for purposes of ERISA, insert the following:]
[[JPMSP/JPMBD/JPMI] Special Restrictions apply: The Securities may not be acquired except subject to certain restrictions by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends – (ii) JPMSP, JPMBD or JPMI issued Securities - (y) JPMSP/JPMBD/JPMI Special Legend" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations" – (bb) ERISA Restrictions – (ii) JPMSP, JPMBD or JPMI issued Securities – (y) JPMSP/JPMBD/JPMI Special Restrictions" in the Base Prospectus.]]

[(ii) If Securities are being issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., use the following:

The Securities may not be acquired except subject to certain restrictions by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code, as amended, subject to certain restrictions. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends – (i) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (bb) ERISA Restrictions – (i) JPMorgan Chase Bank, N.A. or JPMorgan

Chase & Co. issued Securities" in the Base Prospectus.]

63. **Non-exempt Offer:**

[Not Applicable] [An offer of the Securities may be made by the Managers [and *[specify, if applicable]*] other than pursuant to Article 3(2) of the Prospectus Directive in *[specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported]* ("**Public Offer Jurisdictions**") during the period from *[specify date]* until *[specify date]* ("**Offer Period**"). See further the paragraph entitled "Terms and Conditions of the Offer" in Part B below

64. **Additional Selling Restrictions:**

[Specify if different from those set out in the Base Prospectus under "Subscription and Sale"/Not applicable]

GENERAL

65. The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [●] 1 = U.S.\$ [●], producing a sum of (for Notes not denominated in U.S. dollars): [Not Applicable/U.S.\$[●]]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue [and] [public offer in the Public Offer Jurisdictions] [and] [listing and] [admission to trading on *[specify exchange]*] of the Securities described herein pursuant to the Structured Products Programme for the issuance of Notes, Warrants and Certificates of J.P. Morgan Structured Products B.V., J.P. Morgan Bank Dublin plc, J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co.

RESPONSIBILITY

[Each of the] [The] Issuer [and the Guarantor] accepts responsibility for the information contained in these Final Terms. [Information on the underlying] has been extracted from *[specify information source(s)]*. [Each of the] [The] Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.³¹

[Each of the] [The] Issuer [and the Guarantor] confirms that the information contained in these Final Terms is to the best of its knowledge correct and that no material facts or circumstances have been omitted from the listing prospectus consisting of these Final Terms and the Base Prospectus as supplemented as of the date hereof³²

An investor intending to acquire or acquiring any Securities from an offeror will do so, and offers and sales of the Securities to an investor by an offeror will be made, in accordance with any terms and other arrangements in place between such offeror and such investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with investors (other than the Manager(s) or Dealer(s) (as the case may be)), in connection with the offer or sale of the Securities and, accordingly, these Final Terms will not contain such information. The investor must look to the offeror at the time of such offer for the provision of such information. The Issuer has no responsibility to an investor in respect of such information.

³¹ Insert in respect of all Securities (including Swiss Securities) other than Swiss Securities to listed on SIX.

³² Insert in respect of Swiss Securities listed on SIX only.

Signed on behalf of the Issuer:

By: _____

Duly authorised

[Signed on behalf of the Guarantor:

By: _____

Duly authorised]

PART B – OTHER INFORMATION**LISTING AND ADMISSION TO TRADING**

[Application [will be/has been] made for the Securities to be listed on the Official List and admitted to trading on the Regulated Market of the [Luxembourg Stock Exchange/Channel Islands Stock Exchange, LBG/London Stock Exchange plc/Euronext Amsterdam/Eurolist by Euronext Paris S.A./Borsa Italiana S.p.A./Nasdaq OMX Helsinki/Irish Stock Exchange/other (*specify*)] with effect from, at the earliest, the Issue Date. No assurances can be given that such application for listing and admission to trading will be granted (or, if granted, will be granted by the Issue Date)][Application will be made to trade and list the Securities on Scoach Switzerland and the SIX Swiss Exchange, respectively, provided that no assurance can be given that the Securities will be admitted to trading on Scoach Switzerland or listed on the SIX Swiss Exchange on the Issue Date or any specific date thereafter].

The Issuer has no duty to maintain the listing (if any) of the Securities on the relevant stock exchange(s) over their entire lifetime. Securities may be suspended from trading and/or de-listed at any time in accordance with applicable rules and regulations of the relevant stock exchange(s) [provided, however, that, in the case of a Series that is listed on the SIX Swiss Exchange, the Securities of such Series shall be de-listed with respect to the SIX Swiss Exchange, without any further action, if (i) the Issuer or any of its affiliates has prepaid, repaid, repurchased, redeemed or otherwise acquired or holds all the Securities of such Series and (ii) the Issuer has published or caused to be published a notice stating that such Securities have been de-listed with respect to the SIX Swiss Exchange in accordance with General Condition 26.8]³³.

Securities admitted to trading on Scoach Switzerland and listed on the SIX Swiss Exchange only:

- | | | |
|-------|---------------------------------------|---|
| (i) | First Scoach Switzerland Trading Day: | [●] / [Anticipated to be the Issue Date] |
| (ii) | Last Scoach Switzerland Trading Day: | [●], [trading on Scoach Switzerland until official close of trading on Scoach Switzerland on that day] |
| (iii) | Swiss Paying Agent: | [●] |
| (iv) | Type of quoting: | [The Securities are traded or quoted including accrued interest (dirty trading)] [The accrued interest in respect of the Securities is shown separately]] |

RATINGS

[Not Applicable/

The Securities to be issued have been rated:

[S&P: []]

[Moody's: []]

[[Other]: []]/ [The Securities will not be rated]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider]]

³³ Include for Securities listed on the SIX Swiss Exchange.

[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in the section of the Base Prospectus entitled "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer."

REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES³⁴

- | | |
|--|---|
| [(i) Reasons for the offer: | [Not Applicable] |
| | <i>(See "Use of Proceeds" - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here)]</i> |
| [(ii) Estimated net proceeds: | [Not Applicable/[●]] |
| | <i>(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]</i> |
| [(iii) Estimated total expenses related to the admission to trading: | [Not Applicable/[●] [Include breakdown of expenses] |
| | <i>(If the Securities are derivative securities to which annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above)]</i> |

[Fixed Rate Notes only – YIELD

- | | |
|----------------------|--|
| Indication of yield: | [●] |
| | [Calculated as [include details of method of calculation in summary form] on the Issue Date] |
| | As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield |

[Floating Rate Securities only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

[Index-Linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/ OTHER VARIABLE], EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS³⁵ AND OTHER INFORMATION CONCERNING THE UNDERLYING

[Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained [and a clear comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]. [Where the underlying is an index need to include the name of the index and a description if composed by the

³⁴ Include only where the Securities will be admitted to trading on a regulated market.

³⁵ Include only where the Securities have a minimum denomination of less than EUR 50,000.

Issuer and if the Index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation]

[Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE [AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT]

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained [and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident].]

POST-ISSUANCE INFORMATION

[The Issuer will not provide any post-issuance information with respect to the Reference Asset[s], unless required to do so by applicable law or regulation.]

OPERATIONAL INFORMATION

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No] [Note that the designation "yes" simply means that the Securities are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria]

(include this text if "yes" selected in which case the Notes must be issued in NGN form)

ISIN: [●]

[RIC Code: [●]]³⁶

Common Code: [●]

[CUSIP: [●]]³⁷

[Swiss Securities Number: (Valorennummer) [●]]³⁸

[Ticker Symbol (SIX): [●]]³⁹

Relevant Clearing System(s) and the relevant identification number(s): [Euroclear/Clearstream, Luxembourg / Clearstream Frankfurt/DTC/SIS/Euroclear France/Euroclear Sweden/VP/VPS/Euroclear Finland/other /give number(s)]

Delivery: Delivery [against/free of] payment

[Payment: Issue Date]⁴⁰

³⁶ Only applicable to Swiss Securities.

³⁷ Insert for Rule 144A Securities.

³⁸ Only applicable to Swiss Securities.

³⁹ Only applicable to Swiss Securities listed on the SIX Swiss Exchange.

⁴⁰ Only applicable to Swiss Securities listed on the SIX Swiss Exchange.

The Agents appointed in respect of the Securities [Specify] / [As set out in the Agency Agreement] are:

Registrar: [Specify] / [Not Applicable]

[TERMS AND CONDITIONS OF THE OFFER⁴¹

Offer Period: The Securities will be offered to the public in [Specify] during a subscription from (and including) [●] to and including [●]

Offer Price: [Issue Price/Specify]

Conditions to which the offer is subject: [Not Applicable/give details] [The offer is also subject to the issuance of the Securities by the Issuer]

In respect of Swedish/Norwegian/Danish/Finnish/Italian public offers insert:

[The offer of the Securities for sale to the public in [the Kingdom of Sweden / Norway / Finland / Denmark / Italy] *[delete as appropriate]* are subject to the relevant regulatory approvals having been granted

The Offer Period is subject to adjustment by or on behalf of the Issuer in accordance with the applicable regulations and any adjustments to such period will be set out in one or more notices to be made available on the website of the Luxembourg Stock Exchange (www.bourse.lu) [and [●] *[Include if Securities are listed on more than one exchange]*

If the amount subscribed for during this subscription period is less than [●], then the offer of the Securities may be withdrawn and if so, no Securities will be issued, and notification of such withdrawal will be available on the website of the Luxembourg Stock Exchange (www.bourse.lu) [and [●] *[Include if Securities are listed on more than one exchange]* on or around the end of the Offer Period]

[As set out in "Purchase and Offer by [●] *[Specify name of distributor]*" below, [●] reserves the right to cancel the offer if [●] assesses, at its absolute discretion, that any applicable laws, court rulings, decisions by governmental or other authorities or other similar factors render it illegal, impossible or impractical, in whole or part, to complete the offer or that there has been a material adverse change in the market conditions. In case of cancellation, [●] or the relevant sub-distributor will repay the purchase price and commission

⁴¹ Only applicable to public offers.

paid by any investor without interest]

[Insert in the case of public offers in Italy:]

[For the avoidance of doubt, if any application has been made by an investor and the Issuer exercises such a right, each such investor shall not be entitled to subscribe or otherwise acquire the Securities]

Description of the application process:

[Not Applicable/give details/See "Purchase and Offer by [●]" below]

[Insert in the case of public offers in Italy:]

[Investors may apply to subscribe for Securities during the Offer Period. The Offer Period may be discontinued at any time. In such a case, the offeror shall give immediate notice to the public before the end of the Offer Period by means of a notice published on the website of the Issuer (*insert website*)

Any application shall be made in Italy to the distributors. Investors shall not be required to enter into any contractual arrangements directly with the Issuer related to the subscription for any Securities

An investor should contact the relevant distributor prior to the end of the Offer Period. A purchaser will subscribe for Securities in accordance with the arrangements agreed with the relevant distributor relating to the subscription of securities generally

There is no pre-identified allotment criteria. The distributors will adopt allotment criteria that ensures equal treatment of investors. All of the Securities requested through the distributors during the Offer Period will be assigned up to the maximum amount of the offer. An investor will, on the Issue Date, receive 100 per cent. of the amount of Securities allocated to it during the Offer Period]

Description of possibility to reduce subscription and manner for refunding excess amount paid by applicant:

[Not Applicable/give details/Investors may reduce their subscription during the subscription period and in accordance with applicable laws and regulations

Subject to any applicable laws and regulations, any excess amounts paid by any applicant will be credited back to such applicant's account from which the excess amounts were debited]

Details of the minimum and/or maximum amount of application:

[Not Applicable/give details/See "Purchase and Offer by [●]" below]

[Insert in the case of public offers in Italy:]

	[The minimum amount of application per investor will be [●] in nominal amount of the Securities. The maximum amount of application will be subject only to availability at the time of application]
Details of the method and time limits for paying up and delivering the Securities:	<p>[Not Applicable/give details/See "Purchase and Offer by [●]" below]</p> <p><i>[Insert in the case of public offers in Italy:]</i></p> <p>[Securities will be available on a delivery versus payment basis]</p> <p>The Issuer estimates that the Securities will be delivered to the purchaser's respective book-entry securities accounts on or around the Issue Date]</p>
Manner and date in which results of the offer are to be made public:	The results of the offering will be available on the website of the Luxembourg Stock Exchange (www.bourse.lu) [and [●]] <i>[Include if Securities are listed on more than one exchange and if applicable]</i> [and from the distributors] on or prior to the Issue Date
Procedure for exercising right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/give details]
Categories of potential investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries:	<p>[The Securities will be offered to investors in [●]. In EEA jurisdictions other than the Public Offer Jurisdiction[s], offers may only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus]</p> <p><i>[Insert in the case of public offers in Italy:]</i></p> <p>The offer may be made through the distributors in Italy to any person, in compliance with the relevant selling restrictions, as described in the Base Prospectus</p> <p>Qualified investors may be assigned only those Securities remaining after the allocation of all the Securities requested by the public in Italy during the Offer Period</p> <p>Offers (if any) in any other EEA country will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus]</p>
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	<p>[Not Applicable/give details]</p> <p><i>[In respect of Swedish/Norwegian/Finnish/Danish public offers, insert:]</i></p>

[Each purchaser will receive a notification of the amount to be debited from their designated account and the number of Securities to be delivered.

Dealings in the Securities by purchasers may only take place after the Issue Date]

[Insert in the case of public offers in Italy:]

Applicants will be notified directly by the distributors of the success of their application. Dealing in the Securities may commence on the Issue Date]

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

[Not Applicable/give details]

[Insert in the case of public offers in Italy:]

[Apart from the Offer Price, which includes the initial commissions payable to the distributors specified in the paragraph entitled "Purchase and Offer by [●]", the Issuer is not aware of any expenses and taxes specifically charged to the subscriber or purchaser]

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:

[None/give details]]

[In respect of Swedish/Norwegian/Finnish/Danish public offers, insert:

[[●] [Specify distributor(s)]

Purchase and Offer by [insert distributor name]

[In the case of public offers in Italy, delete the following provision:]

Under a purchase agreement entered into between the Dealer and [●] ("[●]"), [a [bank/investment firm] supervised by the [relevant regulatory authority] ("[●]"), [●] has agreed to purchase from the Dealer and the Dealer has agreed to sell to [●] some or all of the Securities subscribed by the Dealer

[●] has informed the Dealer that it and sub-distributors appointed by it (if any) contemplate offering, in [●]'s/their own names and on its/their own behalf, Securities to the public in [the Kingdom of Sweden / Norway / Finland / Denmark] *[delete as appropriate]*. The main terms (as from time to time specified, amended or complemented by [●] or the relevant sub-distributor) are set out below:

Applications: Purchases from [●] or the relevant sub-distributor can be made by submitting a purchase commitment form provided by [●] or the relevant sub-distributor, or otherwise as instructed by [●] or the relevant sub-distributor

[●] or the relevant sub-distributor will only approve purchases at or above the aggregate minimum nominal amount of [●], corresponding to [●] Security[ies] of nominal amount of [●] each and or such other minimum nominal amount (not less than [●]) as [●] or the relevant sub-distributor may specify

Payment and delivery: Payments for the Securities shall be made to [●] or the relevant sub-distributor by wire transfer on or about [●] or such other date as the relevant sub-distributor may specify or by internet payment upon the submission of the purchase commitment form, as instructed by [●] or the relevant sub-distributor

[●] estimates that the Securities would be delivered to the purchasers' respective book-entry securities accounts on or around [●].

Commission: [●] or the relevant sub-distributor will charge a commission, payable by the purchaser, of up to [●] per cent. of the purchase price of the Securities purchased

Right to cancel: [●] reserves the right to cancel the offer if [●] assesses, in its absolute discretion, that any applicable laws, court rulings, decisions by governmental or other authorities or other similar factors render it illegal, impossible or impractical, in whole or part, to complete the offer or that there has been a material adverse change in the market conditions. In case of cancellation, [●] or the relevant sub-distributor will repay the purchase price and commission paid by any purchaser without interest

Liability for the offer: Any offers by [●] or the relevant sub-distributor will be made in [●]'s/its own name and on [●]'s/its own behalf and not as an agent of the Issuer or the Dealer and only [●] or the relevant sub-distributor will be liable for the offer in [●]. Neither the Issuer nor the Dealer accepts any liability for the offer or sale by [●] or the relevant sub-distributor of Securities to the purchasers in [●]

Governing law of the offer and jurisdiction: The terms and conditions of [●]'s or the relevant sub-distributor's offer are governed by [●] law. Any disputes regarding the offer are submitted to the jurisdiction of [●] courts, provided that

purchasers who are consumers are entitled to submit all disputes regarding the offer to the court having jurisdiction in their domicile. Complaints relating to the offer may also be submitted to the [*insert regulatory authority*].

PART C – OTHER APPLICABLE TERMS

[insert if applicable]

[Include this part only in respect of Swiss Securities]

PART D

SWISS TAXATION

The following is a summary based on legislation as of the date of these Final Terms. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Securities. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Securities (or options embedded therein) in light of their particular circumstances.

Stamp Taxes

Swiss Federal Issue Stamp Tax

The Securities are not subject to Swiss federal stamp tax on the issuance of securities provided that the respective Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

Swiss Federal Securities Turnover Tax

Dealings in Securities which classify as pure derivative financial instruments (such as pure call and put options, including Low Exercise Price Warrants with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent. static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are not subject to the Swiss federal securities turnover tax.

Dealings in Securities which have been issued by an issuer outside of Switzerland and which classify as structured notes, share-like instruments (including Low Exercise Price Warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal securities turnover tax of 0.3 per cent. on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and no exemption applies.

The delivery of an underlying security at exercise or redemption to the holder of the Security is subject to Swiss federal securities turnover tax of 0.3 per cent. in case a security issued by an issuer outside Switzerland is delivered and of 0.15 per cent. in case a security issued by a Swiss domestic issuer is delivered, however, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and no exemption applies.

Swiss Withholding Tax

Payments on a Security are not subject to Swiss federal withholding tax provided that the respective Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

Income Taxation

Non-Swiss resident Holders

A holder of a Security who is not resident in Switzerland and who during the taxation year has not engaged in trade or business carried on through a permanent establishment or a fixed place of business in Switzerland, and who is not subject to income taxation in Switzerland for any other reason, will not be subject to any income tax in Switzerland.

Securities held as Private Assets by a Swiss resident Holder

(a) Structured Notes

If a Security classifies as a structured note, its income taxation depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from each other and whether the Security classifies as a structured note with or without a predominant one-time interest payment:

Non-transparent derivative financial instruments: If the embedded bond is not recorded separately from the embedded derivative financial instrument(s), the Security classifies as non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "—Transparent derivative financial instruments with a predominant one-time interest payment".

Transparent derivative financial instruments without a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment (see below "—Transparent derivative financial instruments with a predominant one-time interest payment"), then any periodic interest payment and the one-time interest payment is taxed when paid to the holder of the Security. A gain, including interest accrued, a loss, respectively, realised on the sale of a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. The same applies if the Security is redeemed except that interest accrued is taxed when paid.

Transparent derivative financial instruments with a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments and on the sale or redemption of the Security, the difference between the value of the embedded bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of redemption or sale, issuance or purchase, respectively (modified differential taxation method) constitutes taxable income. A value decrease on the embedded bond respectively realised on the sale or redemption of the Security may be offset against any gains (including periodic interest payments) realised within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realised on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a non-tax-deductible private capital loss, respectively.

(b) *Bonds*

Bonds without a predominant one-time interest payment: If a Security classifies as a pure bond without a predominant one-time interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, converted into Swiss Francs at the exchange rate prevailing at the time of payment. A gain, including interest accrued, a loss, respectively, realised on the sale of a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

Bonds with a predominant one-time interest payment: If a Security classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any gains, including capital and foreign exchange gains, realised on the Securities (differential taxation method).

(c) *Pure Derivative Financial Securities*

A capital gain realised by an individual on the sale or redemption of a Security which classifies as a pure derivative financial instrument (such as pure call and put options, including Low Exercise Price Warrants with a maturity not exceeding one year, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of their private assets constitutes a tax-free private capital gain. A capital loss realised analogously on the sale or redemption of a Security cannot be set off against taxable income. Periodic and one-time dividend equalisation

payments on a Security which is a pure derivative financial instrument constitute taxable investment income.

(d) *Low Exercise Price Warrants*

According to the current practice of the Swiss Federal Tax Administration Low Exercise Price Warrants are given if the underlying of a call option has been pre-financed by at least 50 per cent. at the time of issuance.

For Low Exercise Price Warrants with a maturity exceeding one year the interest component of the Low Exercise Price Warrant (i.e., issue discount) constitutes taxable investment income.

(e) *Fund-like Securities*

A Security classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less attributable costs) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Security as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like instrument (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised a non-tax-deductible capital loss.

Securities held as Assets of a Swiss Business

Corporate entities and individuals who hold Securities as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Securities (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealing and leveraged investments in securities.

EU Savings Tax Directive

An interest payment on a Security made by a Swiss paying agent to an individual resident in an EU Member State is subject to EU savings tax. The tax is withheld at a rate of 20 per cent. on interest payments made before 1 July 2011 and 35 per cent. on interest payments made thereafter, with the option of the individual to have the paying agent and Switzerland provide to the tax authorities of the EU member state the details of the interest payments in lieu of the withholding. The individual may be entitled to a tax credit or refund of the withholding, provided that he or she is the beneficial owner of the interest payments and certain other conditions are met.

Additional Information

Publications: Any notices or publications to be made to Holders will be made (i) by means of electronic publication on the internet website of the SIX Swiss Exchange (www.six-swiss-exchange.com), where notices are currently published under the address [www.six-swiss-exchange.com/news/official_notices/search_en.html] or (ii) otherwise in accordance with the rules of the SIX Swiss Exchange [by publishing the relevant notice, publication or, in case of amendments or

corrections in accordance with General Condition 23, the amended or corrected Final Terms [on the following website] / [in the following newspaper]: [●]]⁴²

[Representatives (for purposes of article 43 of the Listing Rules of the SIX Swiss Exchange): Homburger AG, Weinbergstrasse 56|58, CH-8006 Zürich, Switzerland (for purposes of documentation) and Credit Suisse AG, attn. Custody Account Management, Uetlibergstrasse 231, CH-8070 Zürich, Switzerland (for purposes of clearing and settlement).]⁴³

No Material Change: Save as disclosed in the Base Prospectus, there has been no material change, nor any event involving a prospective material change, in the assets and liabilities, financial position or profits and losses of the Issuer [or the Guarantor] since [insert date of the most recently published annual or interim balance sheet].

⁴² Include for unlisted Swiss Securities.

⁴³ Include for Swiss Securities listed on the SIX Swiss Exchange.

[Include this part only in respect of Swiss Securities which are listed on the SIX Swiss Exchange]

PART E

ADDITIONAL INFORMATION RELATING TO THE REFERENCE ASSET(S)

The information included herein with respect to the Reference Asset(s) consist(s) only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility that such information has been correctly extracted or summarised. No further or other responsibility in respect of such information is accepted by the Issuer, the Guarantor, [the Lead Manager] or any other Dealer or Manager. In particular, neither the Issuer nor the Guarantor nor [the Lead Manager] nor any other Dealer or Manager accepts responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Reference Asset(s) or that there has not occurred any event which would affect the accuracy or completeness of such information. The information included below relates to the period up to the date of these Final Terms and has not been updated since.

For all Securities, with respect to each Reference Asset:

- general designation or description of the Reference Asset;
- company name and domicile of the issuer of the Reference Asset, if applicable;
- if available, the ISIN of the Reference Asset or, if there is no ISIN, an alternative unique identifier;
- information on what source of the Reference Asset's price is used as a basis for the price of the Security (if the Reference Asset trades on a stock exchange, the name of the exchange must be given; information must otherwise be given on where the price-setting mechanism for the Reference Asset is available to the public);
- information on which price for the Reference Asset (e.g., closing price, arithmetic mean price over a specific period) is material in establishing the price of the Security; and
- details of where information on the past performance of the Reference Asset can be obtained.

For Securities linked to equity or debt securities, add the following additional information with respect to each Reference Asset:

- if delivery of the Reference Asset is planned: transferability of the Reference Asset, and any restrictions on tradability, as well as the type of security (e.g., registered paper) in the case of shares; and
- information on where the latest annual reports for the issuer of the Reference Asset may be obtained free of charge for the term of the Security.

For Securities linked to a collective investment scheme, add the following additional information with respect to each collective investment scheme:

- information on the fund management or issuing company, and details of the composition or investment universe of the collective investment scheme; and
- confirmation that the collective investment scheme has been authorised by the Swiss Financial Market Supervisory Authority (FINMA).

For Securities linked to an index, add the following additional information with respect to each index:

- name and agency that calculates and publishes the index (index sponsor), as well as details of where information on the method of calculation is available to the public;
- details of where information on the securities universe and any modifications to composition area available to the public (specifically where and when such adjustments are announced); and

- whether the index is a price or performance (total return) index.

For Securities linked to standardised options or futures contracts, add the following additional information with respect to each standardised option or futures contract:

- contract months, including the duration and the expiry, or information on the roll-over mechanism (e.g., roll-over to the corresponding front end future contract); and
- contract unit and price quotation.

For Securities linked to a basket of Reference Assets, add the following additional information with respect to each Reference Asset contained in the basket:

- initial fixing plus the percentage and, where appropriate, shares of the initial weighting of basket securities; and
- if the composition of the basket is subject to predefined or discretionary modifications, then the permitted investment universe must be defined.

[Schedule – Index Disclaimer]

ANNEX

This Annex shall be included after publication of any supplement to the Base Prospectus dated [●] 2010.

The Base Prospectus dated [●] 2010 has been supplemented by the following Supplement[s]:

Supplement	Description	Date
Supplement No. [●]	in respect of [<i>insert short description of content</i>]	[●]

FORM OF FINAL TERMS FOR GERMAN SECURITIES

Die folgenden Seiten stellen ein Muster für die Endgültigen Bedingungen dar, die im Zusammenhang mit einer Emission veröffentlicht werden:

The form of Final Terms that will be published in respect of each issue is set out below:

[Datum]

[Date]

Endgültige Bedingungen

Final Terms

[J.P. Morgan Structured Products B.V./J.P. Morgan Bank Dublin plc/
JPMorgan Chase Bank, N.A./JPMorgan Chase & Co.]

Structured Products Programme for the issuance of Notes, Warrants and Certificates

[unwiderruflich und unbedingt garantiert von

[JPMorgan Chase Bank, N.A./JPMorgan Chase & Co.]]

[Gesamtnennbetrag der Tranche (oder bei Stücknotiz Gesamtanzahl der Schuldverschreibungen¹)]
[Anzahl der Optionsscheine/Zertifikate (oder bei Prozentnotierung Gesamtnennbetrag)]²

[Bezeichnung der Wertpapiere] fällig am [●] (die "Wertpapiere")

[J.P. Morgan Structured Products B.V./J.P. Morgan Bank Dublin plc/
JPMorgan Chase Bank, N.A./ JPMorgan Chase & Co.]

Structured Products Programme for the issuance of Notes, Warrants and Certificates

[absolutely and unconditionally guaranteed by

[JPMorgan Chase Bank, N.A./JPMorgan Chase & Co.]]

[Aggregate Nominal Amount of Tranche (or, if booked in Units, the total number of Notes)³]
[Number of Warrants/Certificates (or, Aggregate Nominal Amount, if booked in Notional)⁴]

[Title of Securities] due [●] (the "Securities")

[Zeichnungsfrist: Vom [●] bis zum [●] ([●] [MEZ][MESZ]).] [Das öffentliche Angebot beginnt in Deutschland am [●] [und in Österreich am [●]] [*gegebenenfalls andere Länder einfügen*]]. [Die Zeichnungsfrist kann verlängert oder vorzeitig beendet werden.] [Nach dem Ende der Zeichnungsfrist können die Wertpapiere weiterhin öffentlich angeboten werden.]

[Subscription Period: From [●] to [●] ([●] [CET][CEST]).] [The public offer starts in Germany on [●]] [and in Austria on [●]] [*insert additional countries, if applicable*] [The Subscription Period may be extended or shortened.] [The public offering of the Securities may be continued after the end of the subscription period.]

[Die Wertpapiere können direkt von jeder Bank oder Sparkasse in der Bundesrepublik Deutschland oder von jeder anderen zum Verkauf der Wertpapiere autorisierten Stelle bezogen werden.] [**Angaben zu anderen Ländern, in denen die Wertpapiere öffentlich angeboten werden**]

¹ Einzufügen bei der Emission von Schuldverschreibungen.

² Einzufügen bei der Emission von Optionsschein oder Zertifikaten.

³ Include if issuance of Notes.

⁴ Include if issuance of Warrants or Certificates.

[The Securities may be purchased directly from any bank or savings bank (Sparkasse) in the Federal Republic of Germany, or any other market counterparty authorised to sell Securities.] **[Information about other countries in which the Securities are publicly offered]**

[Dieses Dokument enthält gemäß Artikel 5.4 der Richtlinie 2003/71/EG (die "**Prospektrichtlinie**") die Endgültigen Bedingungen der Wertpapiere und ist nur mit dem Basisprospekt vom [●] (der "**Basisprospekt**"), der einen Basisprospekt gemäß der Prospektrichtlinie darstellt, und [[dem][den] im Annex zu diesem Dokument aufgeführten [Nachtrag][Nachträgen] und] etwaigen [weiteren] nach dem Datum dieses Dokuments veröffentlichten Nachträgen zum Basisprospekt ([der][die] "**Veröffentlichte[n] [Nachtrag][Nachträge]**") gemeinsam zu lesen. Eine Gesamtdarstellung in Bezug auf die Emittentin[, die Garantin] und das Angebot von Wertpapieren ergibt sich nur aus der Kombination dieses Dokuments (das "**Dokument**" oder die "**Endgültigen Bedingungen**") mit dem Basisprospekt (einschließlich der durch Verweis einbezogenen Dokumente) sowie [dem] [den] Veröffentlichten [Nachtrag] [Nachträgen]. Der Basisprospekt und die Endgültigen Bedingungen (ebenso wie [der] [die] Veröffentlichte[n] [Nachtrag] [Nachträge]) [können auf [●] eingesehen werden] [und] sind bei [Adresse einfügen] kostenlos erhältlich.]

*[This document contains the final terms of the Securities described herein for the purposes of Article 5.4 of the Directive 2003/71/EC (the "**Prospectus Directive**") and must be read in conjunction with the base prospectus dated [●] (the "**Base Prospectus**") which constitutes a Base Prospectus for the purposes of the Prospectus Directive [and the supplement[s] to that Base Prospectus listed in the Annex hereto] as well as any [further] supplements to that Base Prospectus that may be published after the date of this document (the "**Published Supplement[s]**"). Full information on the Issuer[,the Guarantor] and the offer of the Securities is only available on the basis of the combination of this document (the "**Document**" or the "**Final Terms**") and the Base Prospectus (including all documents incorporated by reference) as well as the Published Supplement[s]. The Base Prospectus and the Final Terms (together with the Published Supplement[s] [are available at [●]] [and copies] may be obtained free of charge from [insert address].]*

[Die [Zulassung][Einbeziehung] der Wertpapiere [in den Handel] [zur Notierung] [an der][im][zum][in den] [Open Market (Freiverkehr)] [der] [Frankfurter Wertpapierbörse (Scoach)] [und] [an der] [im][zum][in den] [Freiverkehr] [der] [Baden-Württembergischen Wertpapierbörse Stuttgart (EUWAX)] [Luxemburger Wertpapierbörse] [**Wertpapierbörse und Marktsegment einfügen**] [wurde beantragt] [wird beantragt werden].] [Gegebenenfalls ausgegebene effektive Wertpapiere werden weder in einem organisierten oder regulierten Markt, noch in einen Freiverkehr einbezogen.] **[Bei einer fungiblen Emission angeben, ob/dass die ursprünglichen Wertpapiere bereits zum Handel zugelassen sind.]** [Gegebenenfalls Angaben zum Markt, an dem die Wertpapiere gehandelt werden, und gegebenenfalls Angaben zu einer diesbezüglichen Prospektveröffentlichung. (Ebenso, falls bekannt, das früheste Datum, bzw. die frühesten Daten, einer entsprechenden Aufnahme des Handels.)]

[Application [has been][will be] made to [trade] [list] the Securities on the [Open Market (Freiverkehr)] [of the] [Frankfurt Stock Exchange (Scoach)] [and] [on the] [regulated unofficial market (Freiverkehr)] [of the] [Stuttgart Stock Exchange (EUWAX)] [regulated market of the Luxembourg Stock Exchange] [insert relevant stock exchange and market segment]. [If any definitive Securities are issued, these will neither be included in an organised market or regulated market, nor in a regulated unofficial market or open market.]. [Where documenting a fungible issue, need to indicate whether that original Securities are already admitted to trading.] [Where applicable, information relating to the market where the Securities will be traded and in relation to prospectuses published in this respect. (Also, if known, the earliest date(s) of admission to such trading.)]

[Die Wertpapiere werden ausschließlich [Investoren-Kategorie und gegebenenfalls Beschränkungen einfügen falls anwendbar] angeboten.] [Gegebenenfalls sind Angaben zur Mitteilung über den Umfang, in dem den Zeichnern Wertpapiere zugeteilt wurden und Angaben dazu, ob eine Aufnahme des Handels vor der entsprechenden Mitteilung erfolgen kann, hier einzufügen.]

[The Securities are offered to [insert specified investor-category and restrictions, if applicable].] [Where applicable, information as to a notification to applicants of the amount allotted and indication as to whether dealing may begin before notification is made, is to be inserted here.]

In bestimmten Rechtsordnungen kann die Verbreitung dieses Dokuments und das Angebot bzw. der Verkauf der Wertpapiere rechtlichen Beschränkungen unterliegen. Jede Person, die in Besitz dieses Dokuments kommt, wird seitens der Emittentin[, der Garantin], des Dealers und des Arrangeurs aufgefordert, sich über solche Beschränkungen zu informieren und die entsprechenden Bestimmungen zu beachten. Die Wertpapiere [(sowie die Garantie)] wurden nicht und werden nicht nach dem United States Securities Act von 1933 in der jeweils gültigen Fassung ("**Securities Act**") oder den wertpapierrechtlichen Vorschriften (securities laws) eines jeglichen Staates (State) registriert noch wurde der Handel in den Wertpapieren von der U.S. Commodity Futures Trading Commission gemäß der jeweils gültigen Fassung des U.S. Commodity Exchange Act genehmigt. Die Wertpapiere dürfen zu keinem Zeitpunkt innerhalb der Vereinigten Staaten direkt oder indirekt angeboten, verkauft, verpfändet, abgetreten, übergeben, zurückgezahlt oder anderweitig übertragen oder gegenüber U.S.-Personen (wie in der Regulation S unter dem Securities Act ("**Regulation S**") oder dem U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung definiert) direkt oder indirekt angeboten, verkauft, verpfändet, zurückgezahlt oder anderweitig an diese übertragen werden. Die Wertpapiere [(sowie die Garantie)] werden außerhalb der Vereinigten Staaten in Übereinstimmung mit den in der Regulation S enthaltenen Ausnahmen von der Registrierungspflicht angeboten und verkauft und dürfen zu keiner Zeit rechtlich oder wirtschaftlich im Eigentum einer U.S.-Person stehen. Die Wertpapiere unterliegen den Beschränkungen bestimmter U.S.-Steuergesetze. Einige Verkaufsbeschränkungen bezüglich des Angebots und Verkaufs der Wertpapiere und der Verbreitung dieses Dokuments sind im Abschnitt "Subscription and Sale" des Basisprospektes beschrieben.

The distribution of this Document and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Document comes are required by the Issuer,[the Guarantor,] the Dealer and the Arranger to inform themselves about and to observe any such restriction. The Securities [(and the Guarantee)] have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any State and trading in the Securities has not been approved by the U.S. Commodity Futures Trading Commission under the U.S. Commodity Exchange Act, as amended. Subject to certain exceptions, the Securities may not be, at any time, offered, sold, pledged, assigned, delivered, transferred or redeemed at any time within the United States of America (or its possessions) or to, or for the account or benefit of any U.S. Person (as such term is defined in Regulation S under the Securities Act ("**Regulation S**") or the U.S. Internal Revenue Code of 1986 (as amended)). The Securities [(and the Guarantee)] are being offered and sold outside the United States pursuant to the registration exemption contained in Regulation S and may not be legally or beneficially owned at any time by any U.S. Person. The Securities are subject to certain U.S. tax law restrictions. For a description of certain restrictions on offers and sales of Securities and on distribution of this Document, see "Subscription and Sale" in the Base Prospectus.

[Nur bei Wertpapieren, die durch JPMSP emittiert werden, einfügen: JPMorgan Chase Bank, N.A. (die "**Garantin**") hat die unwiderrufliche und unbedingte Garantie (die "**JPMorgan Chase Bank, N.A. Garantie**") für die ordnungsgemäße, fristgerechte und vollständige Erfüllung aller fälligen Verpflichtungen der Emittentin aus den Wertpapieren übernommen. Weder die JPMorgan Chase Bank, N.A. Garantie noch die Wertpapiere stellen durch die United States Federal Deposit Insurance Corporation (die "**FDIC**") oder eine andere staatliche Behörde versicherte oder garantierte Einlagen dar. Die JPMorgan Chase Bank, N.A. Garantie und die Wertpapiere stellen jeweils unbesicherte und nicht nachrangige Verbindlichkeiten der Garantin bzw. der Emittentin, nicht jedoch ihrer Muttergesellschaft, der JPMorgan Chase & Co., oder eines anderen verbundenen Unternehmens dar, und die JPMorgan Chase Bank, N.A. Garantie und die Wertpapiere stehen jeweils vorbehaltlich einer Vorrangbestimmung zugunsten bestimmter Einlageverbindlichkeiten der Garantin bzw. der Emittentin oder anderer Verpflichtungen, für die Vorrang- oder Vorzugsbestimmungen bestehen, mit allen sonstigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Garantin bzw. der Emittentin im gleichen Rang.]

[For Securities issued by JPMSP only, insert: The due and punctual settlement in full of all obligations due and owing by the Issuer under the Securities is absolutely and unconditionally guaranteed (the "**JPMorgan Chase Bank, N.A. Guarantee**") by JPMorgan Chase Bank, N.A. (the "**Guarantor**"). Neither the JPMorgan Chase Bank, N.A. Guarantee nor the Securities are deposits insured or guaranteed by the United States Federal Deposit Insurance Corporation (the "**FDIC**") or any other government authority. The JPMorgan Chase Bank, N.A. Guarantee and the Securities are unsecured and unsubordinated obligations of the Guarantor and the Issuer, respectively, and not of their parent, JPMorgan Chase & Co., or any of its other affiliates, and will rank *pari passu* with all

other unsecured and unsubordinated obligations of the Guarantor or the Issuer, as the case may be, subject to a preference in favour of certain deposit liabilities of the Guarantor or the Issuer, as the case may be, or other obligations that are subject to any priorities or preferences.]

[Nur bei Wertpapieren, die durch JPMBD emittiert werden, einfügen: JPMorgan Chase & Co. (die "**Garantin**") hat die unwiderrufliche und unbedingte Garantie (die "JPMorgan Chase & Co. Garantie") für die ordnungsgemäße, fristgerechte und vollständige Erfüllung aller fälligen Verpflichtungen der Emittentin aus den Wertpapieren übernommen. Weder die JPMorgan Chase & Co. Garantie noch die Wertpapiere stellen durch die United States Federal Deposit Insurance Corporation (die "**FDIC**") oder eine andere staatliche Behörde versicherte oder garantierte Einlagen dar. Die JPMorgan Chase & Co. Garantie und die Wertpapiere stellen jeweils unbesicherte und nicht nachrangige Verbindlichkeiten der Garantin bzw. der Emittentin dar, und die JPMorgan Chase & Co. Garantie und die Wertpapiere stehen jeweils vorbehaltlich einer Vorrangbestimmung zugunsten bestimmter Einlageverbindlichkeiten der Garantin bzw. der Emittentin oder anderer Verpflichtungen, für die Vorrang- oder Vorzugsbestimmungen bestehen, mit allen sonstigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Garantin bzw. der Emittentin im gleichen Rang.]

[For Securities issued by JPMBD only, insert: *The due and punctual settlement in full of all obligations due and owing by the Issuer under the Securities is absolutely and unconditionally guaranteed (the "**JPMorgan Chase & Co. Guarantee**") by JPMorgan Chase & Co. (the "**Guarantor**"). Neither the JPMorgan Chase & Co. Guarantee nor the Securities are deposits insured or guaranteed by the United States Federal Deposit Insurance Corporation (the "**FDIC**") or any other government authority. The JPMorgan Chase & Co. Guarantee and the Securities are unsecured and unsubordinated obligations of the Guarantor and the Issuer, respectively, and will rank *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor or the Issuer, as the case may be, subject to a preference in favour of certain deposit liabilities of the Guarantor or the Issuer, as the case may be, or other obligations that are subject to any priorities or preferences.]*

[Nur bei Wertpapieren, die durch JPMorgan Chase Bank, N.A. oder JPMorgan Chase & Co. emittiert werden, einfügen: Die Wertpapiere sind keine durch die United States Federal Deposit Insurance Corporation (die "**FDIC**") oder eine andere staatliche Behörde versicherte oder garantierte Einlagen. Die Wertpapiere sind unbesicherte und nicht nachrangige Verbindlichkeiten der Emittentin, [im Falle einer Emission durch JPMorgan Chase Bank, N.A. einfügen: nicht jedoch ihrer Muttergesellschaft, der JPMorgan Chase & Co.] oder eines anderen verbundenen Unternehmens, und stehen vorbehaltlich einer Vorrangbestimmung zugunsten bestimmter Einlageverbindlichkeiten der Emittentin oder anderer Verpflichtungen, für die Vorrang- oder Vorzugsbestimmungen bestehen, mit allen sonstigen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin im gleichen Rang.]

[For Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. only, insert: *The Securities are not deposits insured or guaranteed by the United States Federal Deposit Insurance Corporation (the "**FDIC**") or any other government authority. The Securities are unsecured and unsubordinated obligations of the Issuer [if JPMorgan Chase Bank, N.A. is the Issuer: and not of its parent, JPMorgan Chase & Co.,] or any of its other affiliates, and will rank *pari passu* with all other unsecured and unsubordinated obligations of the Issuer [subject to a preference in favour of certain deposit liabilities of the Issuer or other obligations that are subject to any priorities or preferences].]*

[Im Fall von Wertpapieren, die sich auf eine Aktie / mehrere Aktien oder einen Index / mehrere Indizes oder ein anderes Instrument oder eine andere Einheit beziehen, ist einzufügen:]

[Die in diesem Dokument enthaltenen Informationen in Bezug auf [die Aktie[n]] [den Aktienkorb] [den Index] [die Indizes] [den Indexkorb] **[anderes Instrument oder Einheit einfügen]** auf [die] [den] sich die Wertpapiere beziehen [(der "**Basiswert**") [(die "**Basiswerte**")], bestehen lediglich aus Auszügen oder Zusammenfassungen von öffentlich zugänglichen Informationen. Die Emittentin übernimmt in Bezug auf Informationen, die [den] [die] Basiswert[e] betreffen, die Verantwortung, dass diese Informationen richtig zusammengestellt oder zusammengefasst und wiedergegeben wurden; soweit es der Emittentin bekannt ist und sich aus den betreffenden Informationen ableiten lässt, wurden keine Tatsachen unterschlagen, deren Fehlen die wiedergegebenen Informationen unrichtig oder irreführend werden ließe. Neben diesen Zusicherungen wird keine weitergehende oder sonstige Verantwortung für diese von Dritten erhaltenen Informationen, die [den] [die] Basiswert[e] betreffen, von der Emittentin[, der Garantin] oder [J.P. Morgan Securities Ltd.] [irgendeinem Manager (wie im Abschnitt

"Subscription and Sale" des Basisprospekts beschrieben)] übernommen. Insbesondere übernehmen weder die Emittentin [noch die Garantin] noch [J.P. Morgan Securities Ltd.] [irgendein Manager] die Verantwortung dafür, dass die hier enthaltenen Angaben über [den] [die] Basiswert[e] der Wertpapiere, in der Form, in der sie sie von Dritten erhalten haben, zutreffend oder vollständig sind oder dass kein Umstand eingetreten ist, der die Richtigkeit oder Vollständigkeit beeinträchtigen könnte.]

[In the case of Securities linked to one or more Share / Shares or Index / Indices or any other type of instrument or entity insert:]

[The information included herein with respect to the [Share[s]] [Share Basket] [Index] [Indices] [Index Basket] [insert any other type of instrument or asset] to which the Securities are linked [(the "Reference Asset[s]")] consists only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility with respect to information relating to the Reference Asset[s] insofar that such information has been correctly extracted or summarised and reproduced and, as far the Issuer is aware and can ascertain from the relevant information, no facts have been omitted which would render the reproduced information inaccurate or misleading. No further or other responsibility in respect of such information relating to the Reference Asset[s] received from a third person is accepted by the Issuer, [the Guarantor] or [J.P. Morgan Securities Ltd.] [any of the Managers (as defined in "Subscription and Sale" in the Base Prospectus)]. In particular, neither the Issuer, [the Guarantor] nor [J.P. Morgan Securities Ltd.] [any of the Managers] accepts responsibility in respect of the accuracy or completeness of the information, in the form in which it has received it from a third person, set forth herein concerning the Reference Asset[s] of the Securities or that there has not occurred any event which would affect the accuracy or completeness of such information.]

Niemand ist berechtigt, über die in diesem Dokument enthaltenen Angaben oder Zusicherungen hinausgehende Informationen bezüglich der Emission oder des Verkaufs der Wertpapiere zu erteilen, und es kann nicht aus derartigen Informationen geschlossen werden, dass sie von oder im Namen der Emittentin genehmigt wurden. Aus der Übergabe dieses Dokument zu einem bestimmten Zeitpunkt kann zu keiner Zeit die Annahme abgeleitet werden, dass sich seit der Erstellung dieses Dokuments keine Änderungen hinsichtlich der hierin enthaltenen Angaben ergeben haben; dies gilt vorbehaltlich der Verpflichtung der Emittentin, gemäß zwingender gesetzlicher Anforderungen gegebenenfalls Nachträge gemäß Artikel 16 der Prospektrichtlinie zu veröffentlichen.

No person has been authorised to give any information or to make any representation other than those contained in this Document in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer. The delivery of this Document at any time does not imply that the information in it is correct as at any time subsequent to this date, subject to the compliance of the Issuer with the applicable statutory requirement to publish, where applicable, supplements pursuant to Article 16 of the Prospectus Directive.

Jeder Anleger in die Wertpapiere muss sich vergewissern, dass die Komplexität der Wertpapiere und die damit verbundenen Risiken seinen Anlagezielen entsprechen und für die Größe, den Typ und die finanzielle Lage seines Unternehmens geeignet sind.

Each investor in Securities must ensure that the complexity and risks inherent in the Securities are suitable for its objectives and the size, nature and condition of its business.

Niemand sollte in Wertpapieren handeln, ohne eine genaue Kenntnis der Funktionsweise der maßgeblichen Transaktion zu besitzen und sich des Risikos eines möglichen Verlusts bewusst zu sein. Jeder Anleger in die Wertpapiere sollte sorgfältig prüfen, ob unter den gegebenen Umständen und vor dem Hintergrund seiner persönlichen Verhältnisse und Vermögenssituation eine Anlage in die Wertpapiere geeignet erscheint.

No person should deal in the Securities unless that person understands the nature of the relevant transaction and the extent of that person's exposure to potential loss. Each investor in Securities should consider carefully whether the Securities are suitable for it in the light of its circumstances and financial position.

Anleger in die Wertpapiere sollten mit ihren Rechts- und Steuerberatern, Wirtschaftsprüfern und sonstigen Beratern klären, ob eine Anlage in solche Wertpapiere für sie geeignet ist.

Investors in Securities should consult their own legal, tax, accountancy and other professional advisers to assist them in determining the suitability of such Securities for them as an investment.

AUF DIE WERTPAPIERE ANWENDBARE ALLGEMEINE BESTIMMUNGEN

GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

Emittentin:	[J.P. Morgan Structured Products B.V. ("JPMSP")] [J.P. Morgan Bank Dublin plc ("JPMBD")] [JPMorgan Chase Bank, N.A.] [JPMorgan Chase & Co.]
Issuer:	[J.P. Morgan Structured Products B.V. ("JPMSP")] [J.P. Morgan Bank Dublin plc ("JPMBD")] [JPMorgan Chase Bank, N.A.] [JPMorgan Chase & Co.]
[Garantin:	[JPMorgan Chase Bank, N.A.] [JPMorgan Chase & Co.]]
[Guarantor:	[JPMorgan Chase Bank, N.A.] [JPMorgan Chase & Co.]]
[Tranchennummer:	[●]]
[Tranche Number:	[●]]
[(Wenn fungibel mit einer vorhandenen Serie, Einzelheiten dieser Serie, einschließlich Datum, an dem die Wertpapiere fungibel werden.)	[●]]
[(If fungible with an existing Series, details of that Series, including the date on which the Securities become fungible.)	[●]]
Ausgabebetrag:	[●]
Issue Date:	[●]
Ausgabepreis:	Der [anfängliche] Ausgabepreis pro Wertpapier [ergibt sich für jede Serie von Wertpapieren jeweils aus der Tabelle, die zu Beginn der Konsolidierten Bedingungen wiedergegeben ist.] [beträgt [bei Zeichnung während der Zeichnungsfrist] [Betrag in der Festgelegten Währung] [●]% des Anfangsstandes [wie oben definiert].] [ist ein Betrag in [Festgelegte Währung] , der dem Anfangsstand entspricht, [wobei [●] [Festgelegte Währung] [●] [Währung des Basiswerts] entspricht.] [umgerechnet in [Festgelegte Währung] auf Basis des Wechselkurses [Angabe zur Methode der Feststellung des Wechselkurses] [Angabe des Zeitpunkts] .] [Angaben zu anderer Art der Bestimmung des Ausgabepreises] [[Danach] [Nach dem Ende der Zeichnungsfrist] können die Wertpapiere weiterhin zu einem fortlaufend festgesetzten Preis angeboten werden. Der Preis wird unter Berücksichtigung der jeweils herrschenden Marktbedingungen festgelegt werden.]

[Es ist möglich, dass Investoren einen zusätzlichen Ausgabeaufschlag in Höhe von [●]% des Ausgabepreises pro Wertpapier an die jeweilige Vertriebsstelle zu zahlen haben.]

[Der Ausgabepreis wird unverzüglich nach seiner Festlegung [auf der Internet-Seite www.jpmorgansp.com] [**andere Art der Veröffentlichung**] veröffentlicht werden.]

Der oben genannte Ausgabepreis eines Wertpapiers kann über dessen Marktwert am Ausgabetag liegen (ermittelt unter Verwendung von internen Preisfindungsmodellen, die auf von JPMorgan verwendeten, allgemein anerkannten finanzmathematischen Prinzipien beruhen). Der Ausgabepreis kann Provisionen bzw. Gebühren enthalten, die an den Dealer und/oder Vertriebsstellen gezahlt werden. [Weitere Informationen erteilt die jeweilige Vertriebsstelle.]

[Gegebenfalls weitere Informationen einfügen]

Issue Price:

*The [initial] Issue Price per Security [in case of subscription during the Subscription Period] [for each Series of Securities is specified in the Table which is reproduced at the beginning of the Consolidated Conditions.] [is equal to [[**amount in the Specified Currency**].] [[●] per cent. of the Initial Level [as defined above].]] [is an amount in [**Specified Currency**] corresponding to the Initial Level [where[●] [**Specified Currency**] is equal to [●] [**currency of the Reference Asset**]] [converted into [**Specified Currency**] on the basis of the Exchange Rate [details on method of determination of the Exchange Rate][details on time].] [details on other manner of determination of Issue Price]*

[[Subsequently] [After the end of the Subscription Period], the Securities may be offered at a continuously determined price. Such price will be determined in consideration of the market conditions prevailing from time to time.]

[Investors may be required to pay an additional initial sales charge payable to the relevant distributor of [●] per cent. of the Issue Price per Security.]

*[The Issue Price will be published without undue delay after its determination [on the website www.jpmorgansp.com] [**other manner of publication**].]*

The Issue Price may be more than the market value of each Security as at the Issue Date (as determined by reference to proprietary pricing models based upon well recognised financial principles used by JPMorgan). The Issue Price

may include embedded commissions payable to the Dealer and/or a distributor or distributors. [Further information is available from the relevant distributor.]

[Insert further information, if applicable]

Provisionen und Gebühren:

Falls von dem Dealer in Verbindung mit der Begebung und dem Vertrieb der Wertpapiere irgendwelche Provisionen oder Gebühren an einen Vermittler gezahlt wurden oder zu zahlen sind, kann ein solcher Vermittler gemäß den anwendbaren Vorschriften einschließlich den zur Umsetzung der Richtlinie über Märkte für Finanzinstrumente (2004/39/EG) ("MiFID") ergangenen oder in Staaten, die nicht dem Europäischen Wirtschaftsraum (EWR) angehören, geltenden Vorschriften dazu verpflichtet sein, seine Kunden vollständig über die Existenz, die Art und die Höhe dieser Provisionen oder Gebühren (einschließlich Provisionen und Gebühren in Form eines Preisnachlasses) zu informieren. Anleger in die Wertpapiere, die beabsichtigen Wertpapiere über einen Vermittler (einschließlich eines als Vermittler tätigen Maklers) zu erwerben, sollten bedenken, dass die Existenz von Provisionen in Zusammenhang mit den Wertpapieren zu einem Interessenkonflikt führen kann, da der Vermittler möglicherweise ein Interesse daran hat, vorwiegend Wertpapiere, für deren Verkauf er die höchsten Provisionen erhält, an seine Kunden zu verkaufen. Anleger sollten sich vor einem Erwerb von Wertpapieren bei diesem Vermittler nach den Einzelheiten solcher Provisions- oder Gebührenezahlungen und bestehender Interessenkonflikte erkundigen.

Commission and Fees:

If any commissions or fees relating to the issue and sale of the Securities have been paid or are payable by the Dealer to an intermediary, then such intermediary may be obliged to fully disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, 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. Investors in Securities through an intermediary (including by way of introducing broker) should be aware that the existence of commissions that may be payable to such intermediary in respect of the Securities may give rise to conflicts of interest, as an intermediary may be interested in selling to its customers primarily Securities where it receives the highest commissions. Investors should request details of any such commission or fee payment from such intermediary and any potential conflicts of interest before making any purchase

	<i>of Securities.</i>
Umfang der Emission:	<p>[In Bezug auf jede Serie von Wertpapieren jeweils] [bis zu] [●] Wertpapiere [im Gesamtnennbetrag von [bis zu] [●]].</p> <p>[[Die][Der] [Anzahl][Gesamtnennbetrag] der Wertpapiere, die am Ausgabetag emittiert werden, wird am Ende der Zeichnungsfrist festgelegt. Die Emittentin wird [die][den] [Anzahl][Gesamtnennbetrag] der Wertpapiere unverzüglich nach [ihrer][seiner] Festlegung [auf der Internet-Seite www.jpmorgansp.com] [andere Art der Veröffentlichung] veröffentlichen.]</p> <p>[Die Emittentin ist nicht verpflichtet, gezeichnete Wertpapiere zu emittieren. Sofern keine Emission erfolgt, wird die Emittentin eine Mitteilung auf der Internet-Seite [http://www.jpmorgansp.com] [●] veröffentlichen.]</p>
Issue size:	<p><i>[In respect of each Series of Securities in each case] [up to] [●] Securities [in the aggregate nominal amount of [up to] [●]].</i></p> <p><i>[The [number][aggregate nominal amount] of Securities issued on the Issue Date will be determined at the end of the Subscription Period. The Issuer will publish the [number][aggregate nominal amount] of issued Securities promptly upon determination [on the website www.jpmorgansp.com] [other manner of publication].]</i></p> <p><i>[The Issuer is not obliged to actually issue subscribed Securities. If no issue occurs a notice shall be published on the website [http://www.jpmorgansp.com][●].]</i></p>
Form:	[Vorläufige Globalurkunde, austauschbar gegen eine Dauerglobalurkunde, die unter den in den Konsolidierten Bedingungen aufgeführten Umständen gegen Einzelurkunden austauschbar ist.][●]
Form:	<i>[Temporary Bearer Global Security exchangeable for a Permanent Bearer Global Security which is exchangeable for Bearer Securities in definitive form in the circumstances set out in the Consolidated Conditions.][●]</i>
[Sonstige Bedingungen, denen das Angebot unterliegt:	[z.B. Mindesthandelsgröße/ Höchstzeichnungsbetrag, Informationen zur Art und Weise und des Termins der Offenlegung des Ergebnisses des Angebots] [●] [Nicht Anwendbar]

[Other conditions to which the Offer is subject:	<i>[e.g. Minimum trading size/Maximum subscription amount, information in relation to the manner and the date in which the results of the offer are to be made public][●][Not Applicable]</i>
Anwendbare TEFRA-Freistellung:	[TEFRA D Rules] [Nicht Anwendbar] <i>[als nicht anwendbar angeben bei von JPMorgan Chase & Co. oder JPMorgan Chase Bank, N.A. begebenen Wertpapieren, für die "Inhaberverlangen" in den Besonderen Bedingungen als nicht anwendbar angegeben ist]</i>
Applicable TEFRA exemption:	[TEFRA D Rules] [Not Applicable] <i>[specify not applicable in respect of any Securities issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. in respect of which "Holder's Request" is specified to be not applicable in the Special Conditions.]</i>
[Falls syndiziert: Namen, Adressen und Übernahmeverpflichtung der Manager:	[Nicht Anwendbar] <i>[Namen Adresse(n) und Übernahmeverpflichtung(en) einfügen]</i> <i>[Namen und Adressen der Institute einfügen, die bereit sind, eine Emission auf fester Zusagebasis zu übernehmen und Einzelheiten über Institute, die bereit sind ohne feste Zusage oder gemäß Vereinbarungen "zu den bestmöglichen Bedingungen" zu platzieren, falls diese nicht mit den Managern identisch sind]</i>
[If syndicated: names and addresses of Managers and underwriting commitment:	<i>[Not Applicable] [give names, addresses and underwriting commitments] [Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers]]</i>
Datum des Übernahmevertrages:	[Am bzw. um den Ausgabetag][●]
<i>Date of Subscription Agreement:</i>	<i>[On or around the Issue Date] [●]</i>
[Kursstabilisierende Stelle:	[Nicht Anwendbar] <i>[Namen einfügen]</i>
<i>[Stabilising Agent:</i>	<i>[Not Applicable] [give name]</i>
[Provision des Dealers:	[●]
<i>[Dealer's Commission:</i>	<i>[●]</i>
[Falls nicht syndiziert: Name des Dealers:	[Nicht Anwendbar] <i>[Name einfügen]</i>
<i>[If non-syndicated: name of Dealer:</i>	<i>[Not Applicable] [give name]</i>
Berechnungsstelle:	[●]
<i>Calculation Agent:</i>	<i>[●]</i>

Market Making:

[Name und Anschrift der jeweiligen Gesellschaften angeben, die sich als Intermediäre im Sekundärmarkt, welche Liquidität durch Ankaufs- und Verkaufskurse bereitstellen, verpflichtet haben und die wichtigsten Regelungen dieser Verpflichtung]

Market Making: *[insert name and address of entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment]*

U.S.-Verkaufsbeschränkungen:

[Sofern and solange die Wertpapiere in den Freiverkehr an einer Wertpapierbörse einbezogen sind, Stellung von Quotes gemäß den jeweils anwendbaren Vorschriften, insbesondere der Börsenordnung bzw. den Geschäftsbedingungen oder Richtlinien für den jeweiligen Freiverkehr in der jeweils anwendbaren Fassung.][●][Nicht Anwendbar]

[To the extent and as long as the Securities are traded on the regulated unofficial market of a stock exchange, quoting occurs in accordance with the relevant applicable provisions, in particular the rules and regulations of the stock exchange or the terms of business or guidelines, as applicable with respect to the relevant unofficial market.] [●] [Not Applicable]

Zu keinem Zeitpunkt Angebot, Verkauf, Verpfändung, Abtretung, Lieferung, Übertragung oder Rückzahlung der Wertpapiere innerhalb der Vereinigten Staaten oder einer der Besitzungen der Vereinigten Staaten von Amerika oder an, für Rechnung oder zugunsten von U.S.-Personen; zu keinem Zeitpunkt rechtliches oder wirtschaftliches Eigentum einer U.S.-Person an den Wertpapieren. "U.S.-Person" hat die diesem Begriff in Regulation S unter dem U.S. Securities Act von 1933 in der jeweils gültigen Fassung bzw. im U.S. Internal Revenue Code von 1986 in der jeweils gültigen Fassung zugewiesene Bedeutung.

[ERISA Beschränkungen]

[Falls die Wertpapiere von JPMSP oder JPMBD begeben werden, ist – sofern nicht der unmittelbar folgende Absatz anwendbar ist – der nachstehende Text einzufügen (der die Standardbestimmung für JPMSP und JPMBD ist):] *[Es gelten die Standardbeschränkungen von [JPMSP] [JPMBD]: Die Wertpapiere dürfen nicht von (oder im Namen von oder zusammen mit Vermögenswerten von) Plänen erworben werden, die ERISA oder Section 4975 des Internal Revenue Code der Vereinigten Staaten von 1986 in der gültigen Fassung unterliegen, mit Ausnahme bestimmter Hauptkonten von Versicherungsgesellschaften. Siehe "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends – (ii) JPMSP, JPMBD or JPMI issued Securities – (x) JPMSP/JPMBD/JPMI Standard Legend" und "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations" – (bb) ERISA Restrictions – (ii) JPMSP, JPMBD or JPMI issued Securities – (x) JPMSP/JPMBD/JPMI Standard Restrictions" im Basisprospekt.]*

[Falls die Wertpapiere von JPMSP oder JPMBD begeben werden, ist – nur wenn sich die Emittentin (durch ein Gutachten eines ERISA-Beraters oder in anderer Weise) davon überzeugt hat, dass die Wertpapiere keine Kapitalanteile (equity interests) im Sinne von ERISA repräsentieren – der nachstehende Text einzufügen:] [Es gelten die Besonderen Beschränkungen (Special Restrictions) von [JPMSP] [JPMBD]: Die Wertpapiere dürfen außer mit bestimmten Beschränkungen nicht von (oder im Namen von oder zusammen mit Vermögenswerten von) Plänen erworben werden, die ERISA oder Section 4975 des Internal Revenue Code der Vereinigten Staaten von 1986 in der gültigen Fassung unterliegen. Siehe "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends – (ii) JPMSP, JPMBD or JPMI issued Securities – (y) JPMSP/JPMBD/JPMI Special Legend" und "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations" – (bb) ERISA Restrictions – (ii) JPMSP, JPMBD or JPMI issued Securities – (y) JPMSP/JPMBD/JPMI Special Restrictions" im Basisprospekt.]

[Falls die Wertpapiere von JPMorgan Chase Bank, N.A. oder JPMorgan Chase & Co. begeben werden, ist der nachstehende Text einzufügen:] [Die Wertpapiere dürfen außer mit bestimmten Beschränkungen nicht von (oder im Namen von oder zusammen mit Vermögenswerten von) Plänen erworben werden, die ERISA oder Section 4975 des Internal Revenue Code der Vereinigten Staaten von 1986 in der gültigen Fassung unterliegen, vorbehaltlich bestimmter Beschränkungen. Siehe "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends – (i) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" und "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations" – (bb) ERISA Restrictions – (i) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" im Basisprospekt.]]

U.S. selling restrictions:

No offers, sales, pledges, assignments, deliveries, transfers or redemptions of the Securities at any time within the United States of America or its possessions or to or for the account or benefit of any U.S. Person; no legal or beneficial ownership of the Securities at any time by a U.S. person. "U.S. Person" has the meaning ascribed to it in the Regulation S under the U.S. Securities Act of 1933, as amended or the U.S. Internal Revenue Code of 1986, as amended.

[ERISA Restrictions]

[If the Securities are being issued by JPMSP or JPMBD, then, unless the sub-paragraph immediately below applies, insert the following (which is the standard default position for JPMSP and JPMBD):] [[JPMSP] [JPMBD]

Standard Restrictions apply: The Securities may not be acquired by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, other than certain insurance company general accounts. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (m) ERISA Legends – (ii) JPMSP, JPMBD or JPMI issued Securities – (x) JPMSP/JPMBD/JPMI Standard Legend" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (bb) ERISA Restrictions – (ii) JPMSP, JPMBD or JPMI issued Securities – (x) JPMSP/JPMBD/JPMI Standard Restrictions" in the Base Prospectus.]

[If the Securities are being issued by JPMSP or JPMBD, then, only if the Issuer has satisfied itself (through an opinion of ERISA counsel or otherwise) that the Securities do not constitute equity interests for purposes of ERISA, insert the following:] [[JPMSP] [JPMBD] Special

Restrictions apply: The Securities may not be acquired except subject to certain restrictions by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations – (m) ERISA Legends – (ii) JPMSP, JPMBD or JPMI issued Securities – (y) JPMSP/JPMBD/JPMI Special Legend" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations" – (bb) ERISA Restrictions – (ii) JPMSP, JPMBD or JPMI issued Securities – (y) JPMSP/JPMBD/JPMI Special Restrictions" in the Base Prospectus.]

[If the Securities are being issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., insert the following:] [The Securities may not be acquired except subject to certain restrictions by, on behalf of, or with the assets of any plans subject to ERISA or Section 4975 of the U.S. Internal Revenue Code, as amended, subject to certain restrictions. See "Subscription and Sale – United States", "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends – (i) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (bb) ERISA Restrictions – (i) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" in the Base Prospectus.]]

Zusätzliche Verkaufsbeschränkungen:

[Nicht Anwendbar][***Details einfügen***]

[Angaben, wenn diese von den im Basisprospekt unter "Subscription and Sale" aufgeführten abweichen]

Additional selling restrictions:

[*Not Applicable*][***give details***]

[Specify if different from those set out in this Base Prospectus under "Subscription and Sale"]

ISIN:

[●] [Die ISIN ergibt sich für jede Serie von Wertpapieren jeweils aus der Tabelle, die zu Beginn der Konsolidierten Bedingungen wiedergegeben ist.]

[The ISIN for each Series of Securities is specified in the Table which is reproduced at the beginning of the Consolidated Conditions.]

[Für gegebenenfalls im Austausch gegen die am Ausgabetag begebenen Wertpapiere ausgegebene effektive Wertpapiere wird keine oder eine abweichende ISIN vergeben.]

[Any definitive Securities which may be issued in exchange for the Securities issued on the Issue Date will receive no ISIN or a different ISIN.]

[Common Code:

[●] [Der Common Code ergibt sich für jede Serie von Wertpapieren jeweils aus der Tabelle, die zu Beginn der Konsolidierten Bedingungen wiedergegeben ist.]

[The Common Code for each Series of Securities is specified in the Table which is reproduced at the beginning of the Consolidated Conditions.]

[Für gegebenenfalls im Austausch gegen die am Ausgabetag begebenen Wertpapiere ausgegebene effektive Wertpapiere wird kein oder ein

abweichender Common Code vergeben.]

[Any definitive Securities which may be issued in exchange for the Securities issued on the Issue Date will receive no Common Code or a different Common Code.]

[WKN:

[●][Die WKN ergibt sich für jede Serie von Wertpapieren jeweils aus der Tabelle, die zu Beginn der Konsolidierten Bedingungen wiedergegeben ist.]

[The WKN for each Series of Securities is specified in the Table which is reproduced at the beginning of the Consolidated Conditions.]

[Für gegebenenfalls im Austausch gegen die am Ausgabetag begebenen Wertpapiere ausgegebene effektive Wertpapiere wird keine oder eine abweichende Wertpapierkennnummer vergeben.]

[Any definitive Securities which may be issued in exchange for the Securities issued on the Issue Date will receive no securities identification number or a different securities identification number.]

[Valorennummer / Swiss Securities Number:

[●] [Die Valorennummer ergibt sich für jede Serie von Wertpapieren jeweils aus der Tabelle, die zu Beginn der Konsolidierten Bedingungen wiedergegeben ist.]

[The Swiss Securities Number for each Series of Securities is specified in the Table which is reproduced at the beginning of the Consolidated Conditions.]

[Für gegebenenfalls im Austausch gegen die am Ausgabetag begebenen Wertpapiere ausgegebene effektive Wertpapiere wird keine oder eine abweichende Valorennummer vergeben.]

[Any definitive Securities which may be issued in exchange for the Securities issued on the Issue Date will receive no Swiss Securities Number or a different Swiss Securities Number.]

Clearingsystem(e) und Verwahrstelle:

[Clearstream, Frankfurt (auch Verwahrstelle)][,]
[Clearstream, Luxemburg][,] [Euroclear][,] [und]
[Ersatzclearingsystem einfügen]

[[Gemeinsame] Verwahrstelle: [●]]

[Gegebenenfalls ausgegebene effektive Wertpapiere sind bei ihrer Ausgabe nicht zur Girosammelverwahrung zugelassen und können auch danach nicht zur Girosammelverwahrung zugelassen werden.]

<i>Clearing system(s) and Depositary:</i>	<p>[<i>Clearstream, Frankfurt (also depositary)</i>][,] [<i>Clearstream, Luxembourg</i>][,] [<i>Euroclear</i>][,] [and] [<i>insert alternative Clearing System</i>]</p> <p>[[<i>Common</i>]<i>Depositary</i>: [●]]</p> <p><i>[If any definitive Securities are issued, these will neither be eligible for collective custody upon issuance nor can they become eligible for collective custody subsequent thereto.]</i></p>
Lieferung:	Lieferung [gegen][frei von] Zahlung
<i>Delivery:</i>	<i>Delivery [against][free of] payment</i>
Informationen nach Emission:	<p>[Außer im Fall von Mitteilungen gemäß Ziffer [●] der Allgemeinen Bedingungen, die Bestandteil der Konsolidierten Bedingungen sind, beabsichtigt die Emittentin nicht, Informationen über die Entwicklung nach der Emission zur Verfügung zu stellen.][Etwaige Informationen über Entwicklungen nach dem Ausgabetag werden hier eingefügt]</p>
<i>Post Issuance Information:</i>	<p><i>[The Issuer does not intend to provide post issuance information subject to any Notices pursuant to General Condition [●] of the Consolidated Conditions.][Any post issuance information, if any, will be inserted here]</i></p>
[Gründe für das Angebot:	<p>[<i>sofern nicht Gewinnerzielung und/oder Absicherung bestimmter Risiken:</i> [●] [Nettoerlös: [●]] [Nicht Anwendbar]]</p>
<i>[Reasons for the Offer:</i>	<p><i>[if different from making profit and or hedging risks:</i> [●] [<i>Net proceeds:</i> [●]] [<i>Not Applicable</i>]]</p>
Anwendbares Recht:	Deutsches Recht. [Die Garantie unterliegt dem Recht von New York.]
<i>Governing Law:</i>	<i>German law. [The guarantee is governed by New York law.]</i>
[Gerichtsstand:	[Frankfurt am Main][●]]
<i>[Jurisdiction:</i>	<i>[Frankfurt am Main][●]]</i>

ALLGEMEINES

GENERAL

[Der folgende Wortlaut oder ein entsprechender Wortlaut ist nur dann einzufügen, wenn eine Wertpapierbörse, an der die Wertpapiere notiert bzw. zum Handel eingeführt werden sollen, dies verlangt:]

[BESTÄTIGUNG FÜR ZWECKE DES ANTRAGS AUF BÖRSENZULASSUNG]

[Dieses Dokument enthält die Angaben, die [zur Notierung][zum Handel] der hier beschriebenen Wertpapiere notwendig sind.][*Anderen Wortlaut einsetzen, der von der betreffenden Wertpapierbörse verlangt wird.*]]

[The following wording or wording to a similar effect is to be inserted only if a stock exchange where the Securities are to be listed or traded, respectively, requests its insertion:]

[STATEMENT FOR THE PURPOSES OF THE LISTING APPLICATION]

[This Document comprises the details required to [list][trade] the Securities described herein.][*insert alternative wording, as requested by the relevant exchange.*]]

VERANTWORTUNG

Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen gegebenen Informationen und erklärt hiermit, dass ihres Wissens die Angaben in diesen Endgültigen Bedingungen richtig und keine wesentlichen Umstände ausgelassen sind. Zusammen mit dem oben genannten Basisprospekt gelesen enthalten diese Endgültigen Bedingungen alle Informationen, die im Kontext der Begebung der Wertpapiere wesentlich sind.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms and accordingly declares that the information contained in these Final Terms is, to the best of its knowledge, in accordance with the facts and that no material circumstances have been omitted. These Final Terms, when read together with the Base Prospectus referred to above, contain all information that is material in the context of the issue of the Securities.

[INTERESSENKONFLIKTE VON NATÜRLICHEN ODER JURISTISCHEN PERSONEN, DIE BEI DEM ANGEBOT BETEILIGT SIND]

[Soweit nicht in Abschnitt "Conflicts of Interest" des Basisprospekts angegeben, hat, nach dem Kenntnisstand der Emittentin, keine Person, die bei dem Angebot der Wertpapiere beteiligt ist, Interessenkonflikte, die Einfluss auf die Wertpapiere haben.][●]]

[CONFLICTS OF INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER]

[Save as discussed in "Conflicts of Interest" of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Securities has any conflicts of interest affecting the Securities.][●]]

[FUNKTIONSWEISE DER WERTPAPIERE]

[ERLÄUTERUNG ZUM ZUSAMMENHANG ZWISCHEN [DEM][DEN] [BASISWERT][BASISWERTEN] UND DER RÜCKZAHLUNG [SOWIE GEGEBENENFALLS DEN [BONUSZAHLUNGEN] [ZINSZAHLUNGEN]] DER WERTPAPIERE]

[Einzufügen sind eine eindeutige und umfassende Beschreibung in welcher Weise der Wert des Investments durch den/die Basiswert(e) beeinflusst wird und die Umstände unter denen sich die Risiken am wahrscheinlichsten verwirklichen können.]

[Einzufügen sind ggf. Beispiele]

[Einzufügen sind ggf. Diagramme]

[Einzufügen sind ggf. weitere Hinweise]]

[ERLÄUTERUNG ZU [DEM][DEN] [BASISWERT][BASISWERTEN]

[Sofern es sich bei dem Basiswert um einen Index handelt, ist der Name des Index und eine Beschreibung des Index, für den Fall, dass der Index durch die Emittentin zusammengestellt wird, oder Einzelheiten, wo Informationen über den Index erhältlich sind, wiederzugeben. Sofern es sich bei dem Basiswert um keinen Index handelt, sind vergleichbare Informationen wiederzugeben]

Informationen über die vergangene und zukünftige Wertentwicklung [der][des] **[Name des jeweiligen Basiswerts einfügen][●]** und zu [seiner][ihrer] Volatilität sind auf der [Internet-Seite [●]] [und auf der Internet-Seite [●]] [in der jeweiligen Basiswerttabelle, die der jeweiligen Serie in der zu Beginn der Konsolidierten Bedingungen wiedergegebenen Tabelle zugeordnet ist, angegeben Internet-Seite] erhältlich.]

[MECHANICS OF THE SECURITIES]

[EXPLANATION RELATING TO LINKAGE BETWEEN THE REFERENCE ASSET[S] AND REPAYMENT [AND IF APPLICABLE [BONUS PAYMENTS] [INTEREST PAYMENTS]] OF THE SECURITIES]

[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the Reference Asset(s) and the circumstances when the risks are most evident.]

[If applicable insert: examples]

[If applicable insert: charts]

[If applicable insert: other details]

[INFORMATION RELATING TO THE REFERENCE ASSET[S]

[Where the Reference Asset is an index need to include the name of the index and a description if composed by the Issuer and if the Index is not composed by the Issuer need to include details of where the information about the index can be obtained: Where the Reference Asset is not an index need to include equivalent information.]

Information about the past and future performance of [insert name of the Reference Asset][●] and its volatility can be obtained on the website [●] [and on the website [●]] [specified in the relevant Reference Asset Table assigned to the relevant Series in the Table which is reproduced at the beginning of the Consolidated Conditions].]

[SPEZIELLE] RISIKOFAKTOREN

*[Hier sind gegebenenfalls Risikofaktoren einzufügen, die sich aus den spezifischen Basiswerten der betreffenden Serie/Emission von Wertpapieren ergeben. Zudem können hier bereits im Basisprospekt enthaltene Risikofaktoren konkretisiert oder wiederholt werden, die auf die relevante Emission/Serie von Wertpapieren anwendbar sind: **[fallbezogen]**]*

[SPECIFIC] RISK FACTORS

*[Potentially to be inserted here: Risk factors that arise from the specific Reference Assets pertaining to the relevant Series/issue of Securities. In addition, certain risk factors already contained in the Base Prospectus may be further specified or repeated herein, where they apply to the relevant Series/issue of Securities: **[as required]**]*

KONSOLIDIERTE BEDINGUNGEN / CONSOLIDATED CONDITIONS

[Die Bedingungen der Deutschen Wertpapiere sind die Konsolidierten Bedingungen. Die Konsolidierten Bedingungen für jede Serie von Deutschen Wertpapieren bestehen aus den im Basisprospekt abgedruckten Allgemeinen Bedingungen (einschließlich der anwendbaren Produktspezifischen Bedingungen), angepasst durch die Streichung aller nicht anwendbaren Bestimmungen, und den Besonderen Bedingungen, wobei alle Angaben, die in die Endgültigen Bedingungen aufzunehmen sind, oder von den Allgemeinen Bedingungen abweichen, in die Besonderen Bedingungen der betreffenden Serie aufgenommen werden. Die Konsolidierten Bedingungen werden der Globalurkunde, die die Deutschen Wertpapiere verbrieft, beigelegt und werden auf allen effektiven Deutschen Wertpapieren abgedruckt.]

[With respect to German Securities, the terms and conditions will be the Consolidated Conditions. The Consolidated Conditions for each Series of German Securities consist of the General Conditions as set out in the Base Prospectus (including the applicable Specific Product Provisions), amended by the deletion of non-applicable provisions, and of the Special Conditions, whereby matters which are expressed to be specified in the Final Terms or which deviate from the General Conditions will be specified in the Special Conditions of the relevant Series. The Consolidated Conditions will be attached to the Global Security representing the German Securities and will be endorsed on any German Securities in definitive form.]

[[Einzufügen, wenn sich die Konsolidierten Bedingungen auf mehrere Emissionen beziehen / Insert if the Consolidated Conditions relate to several issues:]

Tabelle mit speziellen Angaben zu den Emissionen von Wertpapieren, auf die sich diese Konsolidierten Bedingungen beziehen:

Table with specific information regarding the issues of Securities to which these Consolidated Conditions relate:

Laufende Nummer der Emission / Consecutive number of the issue	Name des Wertpapiers / Name of Security	ISIN/WKN	[Korb von Basiswerten / Basket of Reference Assets]	[Andere für die jeweilige Emission spezifische Angaben einfügen / insert other information specific for each issue]	[Anzahl der Wertpapiere / Number of Securities]
[1]	[●]	[●]	[Korb 1 / Basket I] (Basiswerttabelle [1] / Reference Asset Table [I])	[●]	[●]
[●]	[●]	[●]	[Korb [●] / Basket [●]] (Basiswerttabelle [●] / Reference Asset Table [●])	[●]	[●]

]

[[Zusätzlich einfügen, wenn sich die Emissionen auf unterschiedliche Körbe von Basiswerten beziehen / Insert additionally if the issues relate to different baskets of Reference Assets:]

Basiswerttabellen / *Reference Asset Tables*:

Basiswerttabelle [1] / *Reference Asset Table [1]* [(Korb [1] / *Basket [1]*)]:

Laufende Nummer des Basiswerts / <i>Consecutive number of the Reference Asset</i>	Bezeichnung des Basiswerts [/ Aktienemittentin] / <i>Identification of Reference Asset [/ Share Issuer]</i>	[Börse/ <i>Exchange</i>]	[ISIN]	[andere Angaben einfügen / <i>insert other information</i>]	[Öffentlich zugängliche Informationsquelle / <i>Publicly available source of information</i>]
[1]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]

Basiswerttabelle [●] / *Reference Asset Table [●]* [(Korb [●] / *Basket [●]*)]:

Laufende Nummer des Basiswerts / <i>Consecutive number of the Reference Asset</i>	Bezeichnung des Basiswerts [/ Aktienemittentin] / <i>Identification of Reference Asset [/ Share Issuer]</i>	[Börse/ <i>Exchange</i>]	[ISIN]	[andere Angaben einfügen / <i>insert other information</i>]	[Öffentlich zugängliche Informationsquelle / <i>Publicly available source of information</i>]
[1]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]

]

[Besondere Bedingungen (einschließlich Bedingungen, die gegebenenfalls von den Allgemeinen Bedingungen abweichen und einschließlich Regelung zur anwendbaren Sprache) einfügen / insert Special Conditions (including provisions deviating from the General Conditions, if applicable, and provisions regarding applicable language)]

[Allgemeine Bedingungen (einschließlich der Produktspezifischen Bedingungen) einfügen / insert General Conditions (including Specific Product Provisions)]

Unterschrift im Namen der Emittentin:

Signed on behalf of the Issuer:

Durch / *By*: _____

Bevollmächtigter / *Duly authorised*

[Unterschrift im Namen der Garantin:

Signed on behalf of the Guarantor:

Durch / *By*: _____

Bevollmächtigter / *Duly authorised*]

USE OF PROCEEDS

The net proceeds from each issue of Securities will be used by the relevant Issuer for its general corporate purposes (including hedging arrangements). To the extent that the net proceeds of an issue of Securities are not applied for the purposes of making profit and/or hedging certain risks, the relevant Final Terms shall contain further information including the principal intended uses and the order of priority in which such uses are ranked.

FORM OF JPMORGAN CHASE & CO. GUARANTEE

The following is the form of guarantee given by JPMorgan Chase & Co. in respect of Securities issued by J.P. Morgan Bank Dublin plc and by J.P. Morgan Indies SRL under the Programme.

J.P. Morgan Structured Products B.V., J.P. Morgan Bank Dublin plc, J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A., National Association and JPMorgan Chase & Co. Structured Products Programme for the issuance of Notes, Warrants and Certificates (the "Programme")

14 May 2010

To: The Holders of all Securities issued by J.P. Morgan Bank Dublin plc and by J.P. Morgan Indies SRL under the Programme Documents (as defined below) on or after the date hereof

Each of (i) J.P. Morgan Bank Dublin plc, a public limited company incorporated under the laws of the Republic of Ireland and (ii) J.P. Morgan Indies SRL, a society with restricted liability incorporated under the laws of Barbados (each an "**Obligor**" and together the "**Obligors**"), from time to time issues Notes (up to a Programme limit of U.S.\$50,000,000,000), Warrants and Certificates (each as defined in the Agency Agreement described below) under the captioned Programme (such Notes, Warrants and Certificates, the "**Securities**") (all holders of Securities, the "**Beneficiaries**"), pursuant to (a) an amended and restated agency agreement dated 14 May 2010 among Obligors, J.P. Morgan Structured Products B.V., JPMorgan Chase Bank, N.A., a national banking association organised under the federal laws of the United States of America, JPMorgan Chase & Co. (the "**Guarantor**"), The Bank of New York Mellon, The Bank of New York Mellon (Luxembourg) S.A., J.P. Morgan Securities Ltd. ("**JPMSL**"), Skandinaviska Enskilda Banken AB (publ), Svenska Handelsbanken AB (publ), BNP Paribas Securities Services and Credit Suisse (the "**Agency Agreement**"), with the benefit of (b) (to the extent such Securities are governed by English law) a Deed of Covenant dated 14 May 2010 executed by Obligors and (c) this guarantee (the "**Guarantee**"), under the terms and conditions set out in the Agency Agreement as completed and/or amended by (d) certain Final Terms or a certain Drawdown Prospectus (each as defined in the Agency Agreement) and such Securities may be subscribed by Dealers in accordance with (e) an amended and restated programme agreement dated 14 May 2010 between, amongst others, Obligors and JPMSL (the "**Programme Agreement**") (the foregoing, together, as amended and/or supplemented and/or restated from time to time, the "**Programme Documents**").

This Guarantee amends, supplants and replaces in its entirety, for all Securities issued by J.P. Morgan Bank Dublin plc under the Programme on or after 14 May 2010 (the "**Effective Date**"), the Guarantee referenced in the Base Prospectus for the Programme dated 14 May 2009 (the "**Original Guarantee**") save as provided in the immediately following sentence. The Original Guarantee applies to all Securities issued by J.P. Morgan Bank Dublin plc under the Programme before that date and to any Securities issued by J.P. Morgan Bank Dublin plc which are expressed to be consolidated and form a single Series with any Securities issued by J.P. Morgan Bank Dublin plc prior to the Effective Date.

For value received, Guarantor hereby agrees, for the sole and exclusive benefit of the Beneficiaries, as follows:

- (1) **Guarantee.** Guarantor absolutely and unconditionally guarantees to Beneficiaries the prompt and complete payment and performance when, where and as the same shall become due, whether by acceleration or otherwise, of all obligations and liabilities, whether now in existence or hereafter arising, of each Obligor to Beneficiaries under the Securities (such obligations and liabilities, the "**Obligations**"). If a relevant Obligor fails to meet any of its Obligations in full, Guarantor shall, as an independent obligation, promptly upon written notice of such failure from the applicable Beneficiary or its agent, meet or cause to be met such Obligation to such Beneficiary in accordance with all applicable terms and provisions of the applicable Security and of the other Programme Documents, as if such Obligation were met by such Obligor.
- (2) **Guarantee of Payment, not Collection.** This Guarantee is a guarantee of payment and performance and not of collection only. The Beneficiaries shall not be required to exhaust any right or remedy or take any action against the relevant Obligor or any other person or entity or any collateral as a condition to payment by Guarantor hereunder.

- (3) **Guarantee Irrevocable.** This Guarantee is a continuing guarantee of all Obligations now or hereafter existing and shall remain in full force and effect until complete payment and performance of all Obligations and until no Security remains outstanding and no further Securities may be issued.
- (4) **Guarantee Absolute.** Guarantor guarantees that the Obligations shall be timely performed and paid strictly in accordance with all applicable terms of the Programme Documents. Guarantor's liability hereunder is absolute and unconditional irrespective of any matter or circumstance whatsoever with respect to the Programme Documents or the transactions contemplated thereby which might constitute a defence available to, or discharge of, the relevant Obligor or the Guarantor, including, without limitation:
- (a) any change in the amount, time, manner or place of payment of, or in any other term of, all or any of the Programme Documents or Obligations, or any other amendment or waiver of or any consent to departure from any of the terms of any Programme Document or Obligation;
 - (b) any release or amendment or waiver of, or consent to departure from, any other guaranty or support document, or any exchange, release or non perfection of any collateral, for all or any of the Programme Documents or Obligations;
 - (c) any present or future law, regulation or order of any jurisdiction (whether of right or in fact) or other action or order of any agency thereof purporting to reduce, amend, restructure or otherwise affect any term of any Programme Document or Obligation;
 - (d) any lack of validity or enforceability of any Programme Document or Obligation;
 - (e) any injunction, stay or similar action in any bankruptcy, insolvency or other proceeding barring or limiting payment of the Obligations, or any of them, by the relevant Obligor;
 - (f) the absence of any action to enforce the Obligations or any collateral therefore;
 - (g) the rendering of any judgment against Obligor or any action to enforce the same;
 - (h) any bankruptcy or insolvency of the relevant Obligor or any other person or any similar event or circumstance or any proceeding relating thereto;
 - (i) any event or circumstance constituting fraud in the inducement or any other similar event or circumstance; and
 - (j) any lack or limitation of status or of power, or any incapacity or disability, of the relevant Obligor, or of any other guarantor or obligor in respect of any Obligation, or any change whatsoever in the objects, capital structure, constitution or business of the relevant Obligor.
- (5) **Waiver of Defences.** Guarantor hereby waives diligence, presentment, demand of payment (except as provided in paragraph (1)), any right to require a proceeding against the relevant Obligor, protest or notice with respect to the Obligations or the amounts payable by the relevant Obligor under the Programme Documents and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete payment and performance of the Obligations. The grant of time or other indulgence to the relevant Obligor shall in no manner release the Guarantor from any of its obligations hereunder.
- (6) **Reinstatement.** This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment and performance of any of the Obligations is rescinded or must otherwise be returned by a Beneficiary upon the insolvency, bankruptcy or reorganisation of the relevant Obligor or otherwise, all as though the payment and performance had not been made.
- (7) **Subrogation.** Guarantor shall be subrogated to all rights of the Beneficiaries against the relevant Obligor in respect of any amounts paid by the Guarantor pursuant to the provisions of this Guarantee; provided, however, that Guarantor shall not be entitled to enforce or to receive

any payments arising out of, or based upon, such right of subrogation until the Obligations have been paid in full.

- (8) **Representations/Warranties.** Guarantor represents and warrants to each Beneficiary that, as of the date hereof:
- (a) it has the full power and authority to execute and deliver this Guarantee and to perform its obligations under this Guarantee and it has taken all necessary action to authorize such execution, delivery and performance, and this Guarantee has been duly executed and delivered by the Guarantor;
 - (b) this Guarantee constitutes a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, receivership and other similar laws affecting the rights of creditors generally, and by general principles of equity; and
 - (c) no authorizations, approvals or consents of, and no filings or registrations with, any governmental authority are necessary for the execution, delivery or performance by the Guarantor of this Guarantee or for the validity or enforceability hereof.
- (9) **Captions.** The headings and captions in this Guarantee are for convenience only and shall not affect the interpretation or construction of this Guarantee.
- (10) **Not Insured.** This Guarantee is not insured by the Federal Deposit Insurance Corporation of the United States of America.
- (11) **GOVERNING LAW.** THIS GUARANTEE AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS GUARANTEE SHALL BE GOVERNED BY, AND THIS GUARANTEE SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, UNITED STATES OF AMERICA, WITHOUT GIVING EFFECT TO CHOICE OF LAW DOCTRINE.

IN WITNESS WHEREOF, Guarantor has caused this Guarantee to be executed in its name and on its behalf by its duly authorised officer as of the date first above written.

JPMORGAN CHASE & CO.

For the avoidance of doubt, this Guarantee provided by JPMorgan Chase Bank, N.A. does not apply to any Securities issued by J.P. Morgan Bank Dublin plc or J.P. Morgan Indies SRL under the Programme

FORM OF JPMORGAN CHASE BANK, N.A. GUARANTEE

The following is the form of guarantee given by JPMorgan Chase Bank, N.A. in respect of Securities issued by J.P. Morgan Structured Products B.V. under the Programme.

J.P. Morgan Structured Products B.V., J.P. Morgan Bank Dublin plc, J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A., and JPMorgan Chase & Co. Structured Products Programme for the issuance of Notes, Warrants and Certificates (the "Programme")

14 May 2010

To: The Holders of all Securities issued by J.P. Morgan Structured Products B.V. under the Programme Documents (as defined below) on or after the date hereof

J.P. Morgan Structured Products B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands ("**Obligor**"), from time to time issues Notes (up to a Programme limit of U.S.\$50,000,000,000), Warrants and Certificates (each as defined in the Agency Agreement described below) under the Programme (such Notes, Warrants and Certificates, the "**Securities**") (all holders of Securities, the "**Beneficiaries**"), pursuant to (a) an amended and restated agency agreement dated 14 May 2010 among Obligor, J.P. Morgan Bank Dublin plc, JPMorgan Chase Bank, N.A., a national banking association organised under the federal laws of the United States of America (the "**Guarantor**"), JPMorgan Chase & Co., The Bank of New York Mellon, The Bank of New York Mellon (Luxembourg) S.A., J.P. Morgan Securities Ltd. ("**JPMSL**"), Svenska Handelsbanken AB (publ), BNP Paribas Securities Services and Credit Suisse (the "**Agency Agreement**"), with the benefit of (b) (to the extent such Securities are governed by English law) a Deed of Covenant dated 14 May 2010 executed by Obligor and (c) this guarantee (the "**Guarantee**"), under the terms and conditions set out in the Agency Agreement as completed or amended by (d) certain Final Terms or a certain Drawdown Prospectus (each as defined in the Agency Agreement) and such Securities may be subscribed by Dealers in accordance with (e) an amended and restated programme agreement dated 14 May 2010 between amongst others, Obligor and JPMSL (the "**Programme Agreement**") (the foregoing, together, as amended and/or supplemented and/or restated from time to time, the "**Programme Documents**").

This Guarantee amends, supplants and replaces in its entirety, for all Securities issued by the Obligor under the Programme on or after 14 May 2010 (the "**Effective Date**"), the Guarantee referenced in the Base Prospectus for the Programme dated 14 May 2009 (the "**Original Guarantee**") save as provided in the immediately following sentence. The Original Guarantee applies to all Securities issued under the Programme before that date and to any Securities which are expressed to be consolidated and form a single Series with any Securities issued prior to the Effective Date.

For value received, Guarantor hereby agrees, for the sole and exclusive benefit of the Beneficiaries, as follows:

- (1) **Guarantee.** Guarantor absolutely and unconditionally guarantees to Beneficiaries the prompt and complete payment and performance when, where and as the same shall become due, whether by acceleration or otherwise, of all obligations and liabilities, whether now in existence or hereafter arising, of the Obligor to Beneficiaries under the Securities (such obligations and liabilities, the "**Obligations**"). If the Obligor fails to meet any of its Obligations in full, Guarantor shall, as an independent obligation, promptly upon written notice of such failure from the applicable Beneficiary or its agent, meet or cause to be met such Obligation to such Beneficiary in accordance with all applicable terms and provisions of the applicable Security and of the other Programme Documents, as if such Obligation were met by the Obligor.
- (2) **Guarantee of Payment, not Collection.** This Guarantee is a guarantee of payment and performance and not of collection only. The Beneficiaries shall not be required to exhaust any

right or remedy or take any action against the Obligor or any other person or entity or any collateral as a condition to payment by Guarantor hereunder.

- (3) **Guarantee Irrevocable.** This Guarantee is a continuing guarantee of all Obligations now or hereafter existing and shall remain in full force and effect until complete payment and performance of all Obligations and until no Security remains outstanding and no further Securities may be issued.
- (4) **Guarantee Absolute.** Guarantor guarantees that the Obligations shall be timely performed and paid strictly in accordance with all applicable terms of the Programme Documents. Guarantor's liability hereunder is absolute and unconditional irrespective of any matter or circumstance whatsoever with respect to the Programme Documents or the transactions contemplated thereby which might constitute a defence available to, or discharge of, Obligor or the Guarantor, including, without limitation:
 - (a) any change in the amount, time, manner or place of payment of, or in any other term of, all or any of the Programme Documents or Obligations, or any other amendment or waiver of or any consent to departure from any of the terms of any Programme Document or Obligation;
 - (b) any release or amendment or waiver of, or consent to departure from, any other guaranty or support document, or any exchange, release or non perfection of any collateral, for all or any of the Programme Documents or Obligations;
 - (c) any present or future law, regulation or order of any jurisdiction (whether of right or in fact) or other action or order of any agency thereof purporting to reduce, amend, restructure or otherwise affect any term of any Programme Document or Obligation;
 - (d) any lack of validity or enforceability of any Programme Document or Obligation;
 - (e) any injunction, stay or similar action in any bankruptcy, insolvency or other proceeding barring or limiting payment of the Obligations, or any of them, by Obligor;
 - (f) the absence of any action to enforce the Obligations or any collateral therefore;
 - (g) the rendering of any judgment against Obligor or any action to enforce the same;
 - (h) any bankruptcy or insolvency of Obligor or any other person or any similar event or circumstance or any proceeding relating thereto;
 - (i) any event or circumstance constituting fraud in the inducement or any other similar event or circumstance; and
 - (j) any lack or limitation of status or of power, or any incapacity or disability, of Obligor, or of any other guarantor or obligor in respect of any Obligation, or any change whatsoever in the objects, capital structure, constitution or business of Obligor.
- (5) **Waiver of Defences.** Guarantor hereby waives diligence, presentment, demand of payment (except as provided in paragraph (1) above), any right to require a proceeding against Obligor, protest or notice with respect to the Obligations or the amounts payable by Obligor under the Programme Documents and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete payment and performance of the Obligations. The grant of time or other indulgence to Obligor shall in no manner release the Guarantor from any of its obligations hereunder.
- (6) **Reinstatement.** This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment and performance of any of the Obligations is rescinded or must otherwise be returned by a Beneficiary upon the insolvency, bankruptcy or reorganisation of Obligor or otherwise, all as though the payment and performance had not been made.
- (7) **Subrogation.** Guarantor shall be subrogated to all rights of the Beneficiaries against Obligor in respect of any amounts paid by the Guarantor pursuant to the provisions of this Guarantee;

provided, however, that Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until the Obligations have been paid in full.

- (8) **Representations/Warranties.** Guarantor represents and warrants to each Beneficiary that, as of the date hereof:
- (a) it is a national banking association, duly organised, validly existing and in good standing under the federal laws of the United States of America;
 - (b) it has the full power and authority to execute and deliver this Guarantee and to perform its obligations under this Guarantee and it has taken all necessary action to authorize such execution, delivery and performance, and this Guarantee has been duly executed and delivered by the Guarantor;
 - (c) this Guarantee constitutes a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, receivership and other similar laws affecting the rights of creditors generally, and by general principles of equity; and
 - (d) no authorizations, approvals or consents of, and no filings or registrations with, any governmental authority are necessary for the execution, delivery or performance by the Guarantor of this Guarantee or for the validity or enforceability hereof.
- (9) **Captions.** The headings and captions in this Guarantee are for convenience only and shall not affect the interpretation or construction of this Guarantee.
- (10) **Not Insured.** This Guarantee is not insured by the Federal Deposit Insurance Corporation of the United States of America.
- (11) **GOVERNING LAW.** THIS GUARANTEE AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS GUARANTEE SHALL BE GOVERNED BY, AND THIS GUARANTEE SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, UNITED STATES OF AMERICA, WITHOUT GIVING EFFECT TO CHOICE OF LAW DOCTRINE.

IN WITNESS WHEREOF, Guarantor has caused this Guarantee to be executed in its name and on its behalf by its duly authorized officer as of the date first above written.

JPMORGAN CHASE BANK, N.A.

JPMORGAN CHASE & CO.

History, Development and Organisational Structure

JPMorgan Chase is a leading global financial services firm and one of the largest banking institutions in the United States, with \$2.1 trillion in assets, \$164.7 billion in total stockholders' equity and operations in more than 60 countries as of 31 March 2010. JPMorgan Chase is a leader in investment banking, financial services for consumers and businesses, financial transaction processing and asset management. Under the J.P. Morgan and Chase brands, JPMorgan Chase serves millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients.

JPMorgan Chase & Co. is a financial holding company and was incorporated under Delaware law on 28 October 1968 with file number 0691011. JPMorgan Chase & Co.'s principal bank subsidiaries are JPMorgan Chase Bank, National Association, a national bank with branches in 23 states in the United States, and Chase Bank USA, National Association, a national bank that is JPMorgan Chase's credit card issuing bank. JPMorgan Chase & Co.'s principal non-bank subsidiary is J.P. Morgan Securities Inc., its U.S. investment banking firm.

Under Article Four of its Restated Certificate of Incorporation, JPMorgan Chase & Co. may engage in any lawful act or activity for which a corporation may be organised under the General Corporation Law of the State of Delaware.

The principal executive office of JPMorgan Chase & Co. is located at 270 Park Avenue, New York, New York 10017, U.S.A. and its telephone number is +1 212 270-6000.

Principal Activities and Principal Markets

JPMorgan Chase's activities are organised, for management reporting purposes, into six business segments, as well as a Corporate/Private Equity segment. The wholesale businesses are the Investment Bank, Commercial Banking, Treasury & Securities Services and Asset Management segments, and the consumer businesses are the Retail Financial Services and Card Services segments. A description of these business segments, and the products and services they provide to their respective client bases, follows.

Investment Bank

J.P. Morgan is one of the world's leading investment banks, with deep client relationships and broad product capabilities. The Investment Bank's clients are corporations, financial institutions, governments and institutional investors. JPMorgan Chase offers a full range of investment banking products and services in all major capital markets, including advising on corporate strategy and structure, capital-raising in equity and debt markets, sophisticated risk management, market-making in cash securities and derivative instruments, prime brokerage and research. The Investment Bank also commits JPMorgan Chase's own capital to principal investing and trading activities on a limited basis.

Retail Financial Services

Retail Financial Services serves consumers and businesses through personal service at bank branches and through ATMs, online banking and telephone banking as well as through auto dealerships and school financial-aid offices. Customers can use more than 5,100 bank branches and 15,500 ATMs in the United States as well as online and mobile banking around the clock. More than 25,300 branch salespeople assist customers with checking and savings accounts, mortgages, home equity and business loans, and investments across the 23-state footprint from New York and Florida to California. Consumers also can obtain loans through more than 15,800 auto dealerships and nearly 2,200 schools and universities throughout the United States.

Card Services

Chase Card Services is one of the largest credit card issuers in the United States, with nearly \$150 billion in managed loans and nearly 90 million open accounts. Customers used Chase cards to meet more than \$328 billion worth of their spending needs in 2009. Through its merchant acquiring

business, Chase Paymentech Solutions, Chase is a global leader in payment processing and merchant acquiring.

Commercial Banking

Commercial Banking serves nearly 25,000 clients in the United States, including corporations, municipalities, financial institutions and not-for-profit entities with annual revenue generally ranging from \$10 million to \$2 billion, and more than 30,000 real estate investors/owners. Delivering extensive industry knowledge, local expertise and dedicated service, Commercial Banking partners with JPMorgan Chase's other businesses to provide comprehensive solutions, including lending, treasury services, investment banking and asset management to meet its clients' U.S. domestic and international financial needs.

Treasury & Securities Services

Treasury & Securities Services is a global leader in transaction, investment and information services. Treasury & Securities Services is one of the world's largest cash management providers and a leading global custodian. Treasury Services provides cash management, trade, wholesale card and liquidity products and services to small and mid-sized companies, multinational corporations, financial institutions and government entities. Treasury Services partners with the Commercial Banking, Retail Financial Services and Asset Management businesses to serve clients firm-wide. As a result, certain Treasury Services revenue is included in other segments' results. Worldwide Securities Services holds, values, clears and services securities, cash and alternative investments for investors and broker-dealers, and it manages depositary receipt programs globally.

Asset Management

Asset Management, with assets under supervision of \$1.7 trillion, is a global leader in investment and wealth management. Asset Management clients include institutions, retail investors and high-net-worth individuals in every major market throughout the world. Asset Management offers global investment management in equities, fixed income, real estate, hedge funds, private equity and liquidity products, including money-market instruments and bank deposits. Asset Management also provides trust and estate, banking and brokerage services to high-net-worth clients, and retirement services for corporations and individuals. The majority of Asset Management's client assets are in actively managed portfolios.

Trend Information

The following forward-looking statements are based on the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. These risks and uncertainties could cause JPMorgan Chase's actual results to differ materially from those set forth in such forward-looking statements.

JPMorgan Chase's outlook for the second quarter of 2010 should be viewed against the backdrop of the global and U.S. economies, financial markets activity, the geopolitical environment, the competitive environment and client activity levels. Each of these linked factors will affect the performance of JPMorgan Chase and its lines of business.

As noted in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the JPMorgan Chase & Co. March 2010 Form 10-Q, which is incorporated by reference into this Base Prospectus, some normalisation of the financial markets has occurred, and there are early indications of broad-based improvements in underlying economic trends. Specifically, JPMorgan Chase began to see credit delinquencies stabilise and, in certain portfolios, improve. However, economic pressures on consumers continued to drive losses in the consumer loan portfolios in the first quarter of 2010. Further declines in U.S. housing prices in certain markets and increases in the unemployment rate remain possible; if this were to occur, it would adversely affect JPMorgan Chase's results. At the same time, the U.S. Congress and regulators (as well as legislative and regulatory bodies in other countries) continue to intensify their focus on the regulation of financial institutions; any legislation or regulations that may be adopted as a result could limit or restrict JPMorgan Chase's operations, impose additional costs on JPMorgan Chase in order to comply with such new laws or regulations, or significantly and adversely affect the revenues of certain lines of business. Accordingly,

JPMorgan Chase continues to monitor closely U.S. and international economies and political environments.

In the Retail Banking business within Retail Financial Services, management expects continued strong revenue over the next several quarters, despite continued economic pressure on consumers and consumer spending levels. Additionally, JPMorgan Chase has made changes consistent with and, in certain respects, beyond the requirements of newly-enacted legislation, in its policies relating to non-sufficient funds and overdraft fees.

Although management estimates are subject to change, such changes may result in an annualised reduction in net income in Retail Banking of approximately \$500 million by the fourth quarter of 2010.

In the Mortgage Banking & Other Consumer Lending business within Retail Financial Services, management expects revenue to continue to be negatively affected by continued elevated levels of repurchases of mortgages previously sold to, for example, government-sponsored entities. In the Real Estate Portfolios business within Retail Financial Services, management has not changed prior loss guidance, that quarterly net charge-offs could reach \$1.4 billion for the home equity portfolio, \$600 million for the prime mortgage portfolio and \$500 million for the subprime mortgage portfolio over the next several quarters. However, if the initial improvements in delinquency and other loss trends currently being observed continue, net charge-offs may not reach these levels. Given current origination and production levels, combined with management's current estimate of portfolio run-off levels, the residential real estate portfolio is expected to decline by approximately 10-15 per cent. annually for the foreseeable future. Based on management's preliminary estimate, the effect of such a reduction in the residential real estate portfolio is expected to reduce 2010 net interest income in the portfolio by more than \$1.0 billion from the 2009 level, excluding any impact from changes in the interest rate environment.

Finally, management expects noninterest expense in Retail Financial Services to remain modestly above 2009 levels, reflecting investments in new branch builds and sales force hires, as well as continued elevated servicing-, default- and foreclosed asset-related costs.

Management expects average outstandings in Card Services to decline by approximately 10-15 per cent. in 2010 due to run-off of both the Washington Mutual portfolio and lower-yielding promotional balances. In addition, management estimates Card Services' annual net income may be adversely affected by approximately \$500 million to \$750 million as a result of the recently enacted credit card legislation; this estimate is subject to change as components of the new legislation are finalised. The net charge-off rate for Card Services (excluding the Washington Mutual credit card portfolio) is anticipated to be approximately 9.5 per cent. in the second quarter of 2010, with the potential for improvement in the second half of 2010. The net charge-off rate for the Washington Mutual credit card portfolio is expected to remain at or above 20 per cent. over the next several quarters. Excluding the effect of any potential reserve actions, management currently expects Card Services to report a net loss in the second quarter of 2010; however, the loss will likely improve from the level reported in the first quarter of 2010. Results in the second half of 2010 will depend on the economic environment and potential reserve actions.

Revenue in the Investment Bank, Treasury & Securities Services and Asset Management will be affected by market levels, volumes and volatility, which will influence client flows and assets under management, supervision and custody. In addition, Investment Bank and Commercial Banking results will continue to be affected by the credit environment, which will influence levels of charge-offs, repayments and reserving actions with regard to credit loss allowances.

Earnings in Private Equity (within the Corporate/Private Equity segment) will likely continue to be volatile and be influenced by capital markets activity, market levels, the performance of the broader economy and investment-specific issues. The Corporate segment's net interest income levels and securities gains will generally trend with the size and duration of the investment securities portfolio in Corporate; however, the high level of trading and securities gains in the first quarter of 2010 is not likely to continue throughout 2010. While management currently anticipates that Corporate will realise additional securities gains in the second quarter of 2010, it is not anticipated that such gains will be of the same magnitude as those reported in the first quarter. Over the next several quarters, Corporate quarterly net income (excluding Private Equity, merger-related items and any significant non-recurring items) is expected to decline to approximately \$300 million.

Lastly, with regard to any decision by JPMorgan Chase & Co.'s Board of Directors concerning any increase in the level of the common stock dividend, their determination will be subject to their judgement that the likelihood of another severe economic downturn has sufficiently diminished; that there is evidence of sustained underlying growth in employment for at least several months; that overall business performance and credit have stabilised or improved; and that such action is warranted, taking into consideration JPMorgan Chase's earnings outlook, need to maintain adequate capital levels (in light of business needs and regulatory requirements), alternative investment opportunities and appropriate dividend payout ratios. Ultimately, the Board would seek to return to JPMorgan Chase & Co.'s historical dividend ratio of approximately 30 per cent. to 40 per cent. of normalised earnings over time, though it would consider moving to that level in stages.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no material adverse change in the prospects of JPMorgan Chase & Co. since 31 December 2009.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no significant change in the financial or trading position of JPMorgan Chase & Co. and its subsidiaries taken as a whole since 31 March 2010.

Executive Officers and Directors

Executive Officers

The following persons are the Executive Officers of JPMorgan Chase & Co. as at the date of this Base Prospectus. The business address of each Executive Officer is 270 Park Avenue, New York, New York 10017, U.S.A.

Name	Title
James Dimon	Chairman of the Board, Chief Executive Officer and President
Frank J. Bisignano	Chief Administrative Officer
Steven D. Black	Vice Chairman
Michael J. Cavanagh	Chief Financial Officer
Stephen M. Cutler	General Counsel
William M. Daley	Head, Corporate Responsibility
John L. Donnelly	Director, Human Resources
Ina R. Drew	Chief Investment Officer
Mary Callahan Erdoes	Chief Executive Officer, Asset Management
Samuel Todd Maclin	Head, Commercial Banking
Jay Mandelbaum	Head, Strategy and Business Development
Heidi Miller	Chief Executive Officer, Treasury & Securities Services
Charles W. Scharf	Chief Executive Officer, Retail Financial Services
Gordon A. Smith	Chief Executive Officer, Card Services
James E. Staley	Chief Executive Officer, Investment Bank
Barry L. Zubrow	Chief Risk Officer

Directors

The following persons are the members of the Board of Directors of JPMorgan Chase & Co. as at the date of this Base Prospectus. The business address of each Director is JPMorgan Chase & Co., 270 Park Avenue, New York, New York 10017, U.S.A.

Name	Principal Occupation
Crandall C. Bowles	Chairman of Springs Industries, Inc.
Stephen B. Burke	Chief Operating Officer of Comcast Corporation
David M. Cote	Chairman and Chief Executive Officer of Honeywell International Inc.
James S. Crown	President of Henry Crown and Company
James Dimon	Chairman of the Board, Chief Executive Officer and President of JPMorgan Chase & Co.

Ellen V. Futter	President and Trustee of the American Museum of Natural History
William H. Gray, III	Co-Chairman of GrayLoeffler, LLC
Laban P. Jackson, Jr.	Chairman and Chief Executive Officer of Clear Creek Properties, Inc.
David C. Novak	Chairman and Chief Executive Officer of Yum! Brands, Inc.
Lee R. Raymond	Retired Chairman and Chief Executive Officer of Exxon Mobil Corporation
William C. Weldon	Chairman and Chief Executive Officer of Johnson & Johnson

Conflicts of Interest

There are no material potential conflicts of interest between the duties to JPMorgan Chase & Co. of each of the Executive Officers and Directors named above and his/her private interests and/or other duties.

Corporate governance

Governance is a continuing focus at JPMorgan Chase, starting with the Board of Directors and extending throughout the firm. Several of JPMorgan Chase & Co.'s key governance practices are summarised below. In addition to the practices discussed below, JPMorgan Chase & Co. solicits periodic feedback from its shareholders on governance matters and on shareholder proposals, and engages in discussion with many of the proponents of shareholder proposals. Additional information concerning key corporate governance practices of JPMorgan Chase is contained in the Proxy Statement on Schedule 14A of JPMorgan & Co. dated 31 March 2010 (the "**JPMorgan Chase & Co. 2010 Proxy Statement**") filed with the SEC which is incorporated by reference into this Base Prospectus.

Corporate Governance Principles of the Board

The Board of Directors of JPMorgan Chase & Co. (the "**Board**") first adopted Corporate Governance Principles in 1997, and has revised them periodically since then to reflect evolving best practices and regulatory requirements, including the corporate governance listing standards of the New York Stock Exchange (the "**NYSE**"). The Corporate Governance Principles establish a framework for the governance of JPMorgan Chase & Co.

2009 and 2010 Initiatives

Actions taken during 2009 and 2010 include:

Special shareholder meetings – The Board amended the By-laws of JPMorgan Chase & Co. in January 2010 to permit shareholders holding at least 20 per cent. of the outstanding common shares (net of hedges) to call special meetings of shareholders. This action reduced the ownership threshold required to call special meetings from 33 1/3 per cent. of outstanding common shares, and was taken in response to a shareholder proposal presented at the 2009 annual shareholder meeting calling for a 10 per cent. threshold. That proposal did not pass but received a substantial favourable vote.

Say on Pay – JPMorgan Chase & Co.'s proxy statement for 2009 contained an advisory vote on executive compensation as required for participants in the U.S. Department of the Treasury's Capital Purchase Program under the Troubled Asset Relief Program, or TARP. JPMorgan Chase & Co.'s shareholders approved the compensation of executives named in the Summary compensation table in the 2009 proxy statement, as disclosed pursuant to the compensation disclosure rules of the SEC. JPMorgan Chase & Co. repaid the TARP funds as soon as it was permitted to do so, on June 17 June 2009. Although JPMorgan Chase & Co. is no longer required to do so, because of the current level of interest in executive compensation, JPMorgan Chase & Co. is submitting to its shareholders an advisory vote at the 2010 annual shareholders meeting on both JPMorgan Chase & Co.'s compensation principles and practices and their implementation for 2009.

Compensation recovery policies – JPMorgan Chase & Co.'s compensation recovery policies go beyond the Sarbanes-Oxley Act and other minimum requirements. In addition to JPMorgan Chase & Co.'s longstanding Board policy on recoupment in the event of a material restatement of its financial

results or a termination for cause, JPMorgan Chase & Co. has implemented provisions in 2009 and 2010 that enable cancellation or recovery if the award was based on materially inaccurate performance metrics or a misrepresentation by an employee, the employee engaged in conduct that causes material financial or reputational harm to JPMorgan Chase or its business activities, or, for certain senior employees, the employee failed to properly identify, raise or assess risks material to JPMorgan Chase or its business activities.

Majority voting for directors

In 2007, the Board amended JPMorgan Chase & Co.'s By-laws to provide a majority voting standard for election of directors in uncontested elections (resignation by any incumbent director who is not re-elected) and plurality voting in any election that is contested.

Board leadership structure

JPMorgan Chase & Co. is governed by a Board of Directors. Directors discharge their duties at Board and committee meetings and also through telephone contact and other communications with the Chairman and Chief Executive Officer, management and others regarding matters of concern and interest to JPMorgan Chase & Co. Key elements of the Board leadership structure include:

- Chairman of the Board – While the Board has no set policy on whether or not to have a non-executive chairman, it has determined that the most effective leadership model for JPMorgan Chase & Co. currently is that Mr. Dimon serve as both Chairman and Chief Executive Officer.
- Independent oversight – Independent directors comprise more than 90 per cent. of the Board and 100 per cent. of the Audit Committee, Compensation & Management Development Committee, Corporate Governance & Nominating Committee, Public Responsibility Committee and Risk Policy Committee.
- Presiding Director – The Presiding Director presides at executive sessions of non-management directors and at Board meetings at which the Chairman is not present, and has the authority to call meetings of non-management directors. The position rotates semi-annually, between two independent directors, with the chair of the Compensation & Management Development Committee, currently Mr. Raymond, serving from January through June, and the chair of the Corporate Governance & Nominating Committee, currently Mr. Novak, serving from July through December.
- Committee Chairs – all are independent and are annually appointed by the Board, approve agendas and material for respective committee meetings, and act as liaison between committee members and the Board and between committee members and senior management.

Board's role in risk oversight

JPMorgan Chase's risk management is described in the "Management's discussion and analysis" section of the JPMorgan Chase & Co. 2009 Form 10-K which is incorporated by reference into this Base Prospectus.

Risk is an inherent part of JPMorgan Chase's business activities and JPMorgan Chase's overall risk tolerance is established in the context of its earnings power, capital, and diversified business model. JPMorgan Chase's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of the major risks inherent in its business activities. JPMorgan Chase's risk governance structure starts with each line of business being responsible for managing its own risks, with its own risk committee and a chief risk officer to manage its risk. Overlaying the line of business risk management are four corporate functions with risk management-related responsibilities. Risk Management is responsible for providing an independent firm-wide function of risk management and controls and is headed by JPMorgan Chase & Co.'s Chief Risk Officer, who is a member of JPMorgan Chase & Co.'s Operating Committee and reports to the Chief Executive Officer and the Board, primarily through the Board's Risk Policy Committee. The Chief Investment Office and Corporate Treasury are responsible for managing JPMorgan Chase's liquidity,

interest rate and foreign exchange risk. Legal and Compliance has oversight for legal and fiduciary risk.

The Board exercises its oversight of risk management principally through the Board's Risk Policy Committee and Audit Committee. The Risk Policy Committee oversees senior management risk-related responsibilities, including reviewing management policies and performance against these policies and related benchmarks. The Audit Committee reviews with management the system of internal controls and financial reporting that is relied upon to provide reasonable assurance of compliance with JPMorgan Chase's operational risk management processes. In addition, the Compensation & Management Development Committee is responsible for reviewing JPMorgan Chase's compensation practices and the relationship among risk, risk management and compensation in light of JPMorgan Chase's objectives. Each of the committees oversees reputation risk issues within their scope of responsibility. The Board also reviews selected risk topics directly as circumstances warrant.

Non-management director meetings

Non-management directors generally meet in executive session as part of each regularly scheduled Board meeting, with discussion led by the Presiding Director.

Code of Conduct and Code of Ethics for Finance Professionals

The JPMorgan Chase Code of Conduct is a collection of rules and policy statements governing employees' conduct in relation to JPMorgan Chase's business. In addition, JPMorgan Chase has a Code of Ethics for Finance Professionals that applies to the Chairman and Chief Executive Officer, the Chief Financial Officer and the Chief Accounting Officer of JPMorgan Chase & Co. and to all other professionals serving in a finance, accounting, corporate treasury, tax or investor relations role. The purpose of the Code of Ethics for Finance Professionals is to promote honest and ethical conduct and compliance with the law, particularly as related to the maintenance of JPMorgan Chase's financial books and records and the preparation of its financial statements.

Director independence

Pursuant to the corporate governance listing standards of the NYSE, a majority of the Board (and each member of the Audit Committee, Compensation & Management Development Committee and Corporate Governance & Nominating Committee) must be independent. The Board may determine a director to be independent if the director has no disqualifying relationship as defined in the NYSE corporate governance rules and if the Board has affirmatively determined that the director has no material relationship with JPMorgan Chase & Co., either directly or as a partner, shareholder, officer or employee of an organization that has a relationship with JPMorgan Chase & Co.

The Board reviewed the relationships between JPMorgan Chase & Co. and each director and determined that in accordance with the NYSE corporate governance listing standards and JPMorgan Chase & Co.'s independence standards, each non-management director (Crandall C. Bowles, Stephen B. Burke, David M. Cote, James S. Crown, Ellen V. Futter, William H. Gray, III, Laban P. Jackson, Jr., David C. Novak, Lee R. Raymond and William C. Weldon) has only immaterial relationships with JPMorgan Chase & Co. and accordingly each is an independent director under these standards. There are additional objective tests for independence in the NYSE rules and each of the named directors meets these objective tests for independence as well. Under the NYSE rules, a director employed by JPMorgan Chase & Co. cannot be deemed to be an independent director, and consequently, James Dimon is not an independent director of JPMorgan Chase & Co.

Committees of the Board

The Board has five principal committees. Each member of the Audit Committee, the Compensation & Management Development Committee and the Corporate Governance & Nominating Committee has been determined by the Board to be independent for purposes of the NYSE corporate governance listing standards and within the meaning of regulations of the SEC.

Audit Committee – provides oversight of the independent registered public accounting firm's qualifications and independence; the performance of the internal audit function and that of the independent registered public accounting firm; and management's responsibilities to assure that there is

in place an effective system of controls reasonably designed to safeguard the assets and income of JPMorgan Chase & Co., assure the integrity of its financial statements, assure compliance with its operational risk management processes, and maintain compliance with its ethical standards, policies, plans and procedures, and with laws and regulations.

Compensation & Management Development Committee – reviews and approves JPMorgan Chase & Co.'s compensation and benefit programs; ensures the competitiveness of these programs; and advises the Board on the development of and succession for key executives. The Compensation & Management Development Committee periodically reviews and approves a statement of JPMorgan Chase & Co.'s compensation practices and principles and also reviews the relationship among risk, risk management and compensation in light of JPMorgan Chase & Co.'s objectives, including its safety and soundness and the avoidance of practices that would encourage excessive risk.

Corporate Governance & Nominating Committee – exercises general oversight with respect to the governance of the Board, including reviewing the qualifications of nominees for election to the Board and making recommendations to the Board regarding director compensation.

Public Responsibility Committee – reviews and considers JPMorgan Chase & Co.'s position and practices on charitable contributions, community development, legislation, protection of the environment, shareholder proposals involving issues of public interest and public responsibility and other similar issues as to which JPMorgan Chase relates to the community at large, and provides guidance to management and the Board as appropriate.

Risk Policy Committee – provides oversight of the responsibilities of the Chief Executive Officer and senior management to assess and manage JPMorgan Chase & Co.'s credit risk, market risk, interest rate risk, investment risk, liquidity risk, reputational risk, and fiduciary risk.

Committee Membership

The following table summarises the membership of each of the Board's principal committees:

<i>Director</i>	<i>Audit</i>	<i>Compensation & Management Development</i>	<i>Corporate Governance & Nominating</i>	<i>Public Responsibility</i>	<i>Risk Policy</i>
Crandall C. Bowles	Member				
Stephen B Burke		Member	Member		
David M. Cote				Member	Member
James S. Crown				Member	Chair
James Dimon					
Ellen V. Futter				Member	Member
William H. Gray, III	Member			Chair	
Laban P. Jackson, Jr.	Chair				
David C. Novak		Member	Chair		
Lee R. Raymond		Chair	Member		
William C. Weldon		Member	Member		

Copies of the Corporate Governance Principles, Code of Conduct, Code of Ethics for Finance Professionals, and the JPMorgan Chase & Co. Political Contributions Statement, as well as JPMorgan

Chase & Co.'s By-laws and charters of JPMorgan Chase & Co. principal Board committees, can be found on JPMorgan Chase & Co.'s website at www.jpmorganchase.com.

Financial information

Selected financial information

The selected consolidated financial data set forth in the below table have been extracted from the audited consolidated financial statements of JPMorgan Chase & Co. for the year ended 31 December 2009 contained in the JPMorgan Chase & Co. 2009 Form 10-K and from the unaudited consolidated financial statements of JPMorgan Chase & Co. for the quarter ended 31 March 2010 contained in the JPMorgan Chase & Co. March 2010 Form 10-Q, each of which is incorporated by reference into this Base Prospectus. This information should be read in conjunction with the notes to the consolidated financial statements and the other detailed financial information concerning JPMorgan Chase & Co. incorporated by reference into this Base Prospectus. The financial data as of and for each of the quarters presented in the table are unaudited and do not necessarily indicate the results that may be expected for the entire year.

Selected income statement data

(in millions)	Three months ended 31 March (unaudited)		Year ended 31 December	
	<u>2010</u>	<u>2009</u>	<u>2009</u>	<u>2008</u>
Total net revenue	\$ 27,671	\$ 25,025	\$ 100,434	\$ 67,252
Total noninterest expense	16,124	13,373	52,352	43,500
Pre-provision profit (a)	11,547	11,652	48,082	23,752
Provision for credit losses	7,010	8,596	32,015	19,445
Provision for credit losses – accounting conformity (b)	--	--	--	1,534
Income before income tax expense/(benefit)	4,537	3,056	16,067	2,773
Income tax expense/(benefit)	1,211	915	4,415	(926)
Income before extraordinary gain	3,326	2,141	11,652	3,699
Extraordinary gain (c)	--	--	76	1,906
Net income	\$ 3,326	\$ 2,141	\$ 11,728	\$ 5,605

Selected balance sheet data

(in millions)	31 March 2010 (unaudited)	31 December	
		<u>2009</u>	<u>2008</u>
Trading assets	\$ 426,128	\$ 411,128	\$ 509,983
Securities	344,376	360,390	205,943
Loans	713,799	633,458	744,898
Total assets	2,135,796	2,031,989	2,175,052
Deposits	925,303	938,367	1,009,277
Long-term debt	262,857	266,318	252,094
Common stockholders' equity (d)	156,569	157,213	134,945
Total stockholders' equity (d)	164,721	165,365	166,884

Notes:

- (a) Pre-provision profit is total net revenue less noninterest expense. JPMorgan Chase & Co. believes that this financial measure is useful in assessing the ability of a lending institution to generate income in excess of its provision for credit losses.
- (b) Results for 2008 included an accounting conformity loan loss reserve provision related to the acquisition of Washington Mutual Bank's banking operations.
- (c) On 25 September 2008, JPMorgan Chase acquired the banking operations of Washington Mutual. On 30 May 2008, a wholly-owned subsidiary of JPMorgan Chase merged with and into The Bear Stearns Companies Inc., which became a wholly-owned subsidiary of JPMorgan Chase. The Washington Mutual acquisition resulted in negative goodwill, and accordingly, JPMorgan Chase & Co. recorded an extraordinary gain. For additional information on these transactions, see Note 2 on pages 151 to 156 of the JPMorgan Chase & Co. 2009 Form 10-K.
- (d) Effective 1 January 2010, JPMorgan Chase & Co. adopted new FASB guidance which amended the accounting for the transfer of financial assets and the consolidation of variable interest entities. Upon adoption of the new guidance, JPMorgan Chase & Co. consolidated its firm-sponsored credit card securitisation trusts, firm-administered multi-seller conduits and certain other consumer loan securitisation entities, primarily mortgage-related, by adding approximately \$87.6 billion and \$92.1 billion of assets and liabilities, respectively, and decreasing stockholders' equity by approximately \$4.5 billion.

Auditors

The consolidated financial statements of JPMorgan Chase & Co. as at and for the years ended 31 December 2009 and 2008 and for each of the three years in the period ended 31 December 2009 and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) as of 31 December 2009 and 31 December 2008, which are contained respectively in the JPMorgan Chase & Co. 2009 Form 10-K and the JPMorgan Chase & Co. 2008 Form 10-K incorporated by reference into this Base Prospectus, were audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their reports appearing therein. Copies of those reports can be found on page 137 of the JPMorgan Chase & Co. 2009 Form 10-K and on page 117 of the JPMorgan Chase & Co. 2008 Form 10-K. PricewaterhouseCoopers LLP have not resigned and were not removed during the periods covered by those reports.

PricewaterhouseCoopers LLP is an independent registered public accounting firm within the meaning of the applicable rules and regulations adopted by the SEC and the U.S. Public Company Accounting Oversight Board. PricewaterhouseCoopers LLP is a member of the American Institute of Certified Public Accountants and is registered with the Public Company Accounting Oversight Board. The address of PricewaterhouseCoopers LLP is 300 Madison Avenue, New York, NY 10017, United States of America.

Net Revenue

JPMorgan Chase & Co.'s total net revenue was \$100.4 billion and \$67.3 billion for the years ended 31 December 2009 and 2008, respectively.

Dividends

The following cash dividends per share of common stock of JPMorgan Chase & Co. were paid for each of the five consecutive fiscal years ended 31 December 2009:

Fiscal Year	Dividend per share
2009	\$0.20
2008	\$1.52
2007	\$1.48
2006	\$1.36
2005	\$1.36

Capital Structure

Stockholder's Equity

The following table provides information concerning the stockholder's equity of JPMorgan Chase & Co. as at 31 March 2010, and has been extracted from the unaudited consolidated financial statements of JPMorgan Chase & Co. for the quarter ended 31 March 2010 contained in the JPMorgan Chase & Co. March 2010 Form 10-Q which is incorporated by reference into this Base Prospectus. This information should be read in conjunction with the notes to the consolidated financial statements and the other detailed financial information concerning JPMorgan Chase & Co. incorporated by reference into this Base Prospectus.

(in millions, except share data)	31 March 2010 (unaudited)
Stockholders' equity	
Preferred stock (\$1 par value; authorised 200,000,000 shares)	\$ 8,152
Common stock (\$1 par value; authorised 9,000,000,000 shares; issued 2,538,107 shares)	4,105
Capital surplus	96,450
Retained earnings	61,043
Accumulated other comprehensive income/(loss)	761
Shares held in RSU Trust, at cost (1,524,785 shares)	(68)
Treasury stock, at cost (129,577,403 shares)	(5,722)
Total stockholders' equity	<u>\$ 164,721</u>

Common Stock

As of 31 March 2010, JPMorgan Chase & Co. had 3.98 billion shares of its common stock outstanding with a par value of \$1.00 each and held 129.6 million shares of its common stock as treasury shares.

Convertible Securities and Warrants, Bonds, Borrowings and Contingent Liabilities

Refer to the notes to the audited consolidated financial statements of JPMorgan Chase & Co. for the year ended 31 December 2009 contained in the JPMorgan Chase & Co. 2009 Form 10-K and the unaudited consolidated financial statements of JPMorgan Chase & Co. for the quarter ended 31 March 2010 contained in the JPMorgan Chase & Co. March 2010 Form 10-Q, each of which is incorporated by reference into this Base Prospectus, for information regarding warrants, bonds, borrowings and contingent liabilities outstanding as at 31 December 2009 and 31 March 2010.

Principal Subsidiaries

JPMorgan Chase & Co.'s principal bank subsidiaries are JPMorgan Chase Bank, National Association, a national bank with its registered office in Ohio and its principal place of business in New York; and Chase Bank USA, National Association, a national bank with its registered office and principal place of business in Delaware. JPMorgan Chase & Co.'s principal non-bank subsidiary is J.P. Morgan Securities Inc., a Delaware corporation with its principal place of business in New York. These subsidiaries are wholly owned by JPMorgan Chase & Co. and their accounts are included in the consolidated financial statements of JPMorgan Chase & Co. Exhibit 21.1 to the JPMorgan Chase & Co. 2009 Form 10-K incorporated by reference into this Base Prospectus contains a list of JPMorgan Chase & Co.'s subsidiaries which has been prepared in accordance with SEC rules.

Properties

At 31 December 2009, JPMorgan Chase owned or leased approximately 72.5 million total square feet of space, including offices, retail space and administrative and operational facilities, in the United States; approximately 3.7 million total square feet of space, including offices and an operations centre, in Europe, Middle East and Africa; and approximately 4.4 million total square feet of space, including offices and administrative and operational facilities, in the Asia Pacific region, Latin America and Canada. The properties occupied by JPMorgan Chase are used across all of the firm's business segments and for corporate purposes.

Litigation

The following summary of certain significant legal proceedings has been extracted from the JPMorgan Chase & Co. March 2010 Form 10-Q.

Bear Stearns Shareholder Litigation and Related Matters. Various shareholders of Bear Stearns have commenced purported class actions against Bear Stearns and certain of its former officers and/or directors on behalf of all persons who purchased or otherwise acquired common stock of Bear Stearns between 14 December 2006 and 14 March 2008 (the "**Class Period**"). During the Class Period, Bear Stearns had between 115 and 120 million common shares outstanding, and the price of those securities declined from a high of \$172.61 to low of \$30 at the end of the period. The actions, originally commenced in several U.S. federal courts, allege that the defendants issued materially false and misleading statements regarding Bear Stearns' business and financial results and that, as a result of those false statements, Bear Stearns' common stock traded at artificially inflated prices during the Class Period. In connection with these allegations, the complaints assert claims for violations of Sections 10(b) and 20(a) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). Separately, several individual shareholders of Bear Stearns have commenced or threatened to commence arbitration proceedings and lawsuits asserting claims similar to those in the putative class actions.

In addition, Bear Stearns and certain of its former officers and/or directors have also been named as defendants in a number of purported class actions commenced in the U.S. District Court for the Southern District of New York seeking to represent the interests of participants in the Bear Stearns Employee Stock Ownership Plan ("**ESOP**") during the time period of December 2006 to March 2008. These actions allege that defendants breached their fiduciary duties to plaintiffs and to the other participants and beneficiaries of the ESOP by (a) failing to manage prudently the ESOP's investment in Bear Stearns securities; (b) failing to communicate fully and accurately about the risks of the ESOP's investment in Bear Stearns stock; (c) failing to avoid or address alleged conflicts of interest; and (d) failing to monitor those who managed and administered the ESOP. In connection with these allegations, each plaintiff asserts claims for violations under various sections of the U.S. Employee Retirement Income Security Act ("**ERISA**") and seeks reimbursement to the ESOP for all losses, an unspecified amount of monetary damages and imposition of a constructive trust.

Bear Stearns, former members of Bear Stearns' Board of Directors and certain of Bear Stearns' former executive officers have also been named as defendants in two purported shareholder derivative suits, subsequently consolidated into one action, pending in the U.S. District Court for the Southern District of New York. Plaintiffs are asserting claims for breach of fiduciary duty, violations of U.S. federal securities laws, waste of corporate assets and gross mismanagement, unjust enrichment, abuse of control and indemnification and contribution in connection with the losses sustained by Bear Stearns as a result of its purchases of sub-prime loans and certain repurchases of its own common stock. Certain individual defendants are also alleged to have sold their holdings of Bear Stearns common stock while in possession of material non-public information. Plaintiffs seek compensatory damages in an unspecified amount and an order directing Bear Stearns to improve its corporate governance procedures. Plaintiffs later filed a second amended complaint asserting, for the first time, purported class action claims for violation of Section 10(b) of the Exchange Act, as well as new allegations concerning events that took place in March 2008.

All of the above-described actions filed in U.S. federal courts were ordered transferred and joined for pre-trial purposes before the U.S. District Court for the Southern District of New York. Motions to dismiss have been filed in the purported securities class action, the shareholders' derivative action and the ERISA action.

Bear Stearns Merger Litigation. Seven putative class actions (five that were commenced in New York and two that were commenced in Delaware) were consolidated in New York State Court in Manhattan under the caption *In re Bear Stearns Litigation*. Bear Stearns, as well as its former directors and certain of its former executive officers, were named as defendants. JPMorgan Chase & Co. was also named as a defendant. The actions allege, among other things, that the individual defendants breached their fiduciary duties and obligations to Bear Stearns' shareholders by agreeing to the proposed merger. JPMorgan Chase was alleged to have aided and abetted the alleged breaches of fiduciary duty; breached its fiduciary duty as controlling shareholder/controlling entity; tortiously interfered with the Bear Stearns shareholders' voting rights; and to have been unjustly enriched. In December 2008, the court granted summary judgment in favour of all the defendants. Plaintiffs did not file an appeal and the matter is concluded.

Bear Stearns Hedge Fund Matters. Bear Stearns, certain current or former subsidiaries of Bear Stearns, including Bear Stearns Asset Management, Inc. ("**BSAM**") and Bear Stearns & Co. Inc., and certain current or former Bear Stearns employees are named defendants (collectively the "**Bear Stearns defendants**") in multiple civil actions and arbitrations relating to alleged losses of more than \$1 billion resulting from the failure of the Bear Stearns High Grade Structured Credit Strategies Master Fund, Ltd. (the "**High Grade Fund**") and the Bear Stearns High Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd. (the "**Enhanced Leverage Fund**") (collectively, the "**Funds**"). BSAM served as investment manager for both of the Funds, which were organised such that there were U.S. and Cayman Islands "feeder funds" that invested substantially all their assets, directly or indirectly, in the Funds. The Funds are in liquidation.

There are five civil actions pending in the U.S. District Court for the Southern District of New York relating to the Funds. Three of these actions involve derivative lawsuits brought on behalf of purchasers of partnership interests in the two U.S. feeder funds. Plaintiffs in these actions allege that the Bear Stearns defendants mismanaged the Funds and made material misrepresentations to and/or withheld information from investors in the funds. These actions seek, among other things, unspecified compensatory damages based on alleged investor losses. A fourth action, brought by the Joint Voluntary Liquidators of the Cayman Islands feeder funds, makes allegations similar to those asserted in the derivative lawsuits related to the U.S. feeder funds, and seeks compensatory and punitive damages. A motion to dismiss or alternatively to stay is pending in one of the derivative suits relating to one of the U.S. feeder funds. In the remaining three cases, motions to dismiss have been granted in part and denied in part, and discovery is ongoing. The fifth action was brought by Bank of America and Banc of America Securities LLC (together "**BofA**") alleging breach of contract and fraud in connection with a May 2007 \$4 billion securitisation, known as a "CDO-squared", for which BSAM served as collateral manager. This securitisation was composed of certain collateralised debt obligation ("**CDO**") holdings that were purchased by BofA from the High Grade Fund and the Enhanced Leverage Fund. Defendants' motion to dismiss in this action was largely denied; an amended complaint was filed; and discovery is ongoing in this case as well.

Ralph Cioffi and Matthew Tannin, the portfolio managers for the Funds, were tried on criminal charges of securities fraud and conspiracy to commit securities and wire fraud brought by the U.S. Attorney's Office for the Eastern District of New York. The U.S. Attorney's Office contended, among other things, that Cioffi and Tannin made misrepresentations concerning the Funds' performance, prospects and liquidity, as well as their personal investments in the Funds. On 10 November 2009, after a five-week trial, the jury found Cioffi and Tannin not guilty of all charges submitted to the jury. The SEC is proceeding with its action against Cioffi and Tannin.

Municipal Derivatives Investigations and Litigation. The U.S. Department of Justice's Antitrust Division and the SEC have been investigating JPMorgan Chase and Bear Stearns for possible antitrust and securities violations in connection with the bidding or sale of guaranteed investment contracts and derivatives to municipal issuers. A group of state attorneys general and the U.S. Office of the Comptroller of the Currency (the "**OCC**") have opened investigations into the same underlying conduct. JPMorgan Chase has been cooperating with all of these investigations. The Philadelphia Office of the SEC provided notice to J.P. Morgan Securities Inc. ("**JPMSI**") that it intends to recommend that the SEC bring civil charges in connection with its investigations. JPMSI has responded to that notice, as well as to a separate notice that that Philadelphia Office provided to Bear, Stearns & Co. Inc.

Purported class action lawsuits and individual actions (the "**Municipal Derivatives Actions**") have been filed against JPMorgan Chase and Bear Stearns, as well as numerous other providers and brokers, alleging antitrust violations in the reportedly \$100 billion to \$300 billion annual market for financial instruments related to municipal bond offerings referred to collectively as "municipal derivatives." The Municipal Derivatives Actions have been consolidated in the U.S. District Court for the Southern District of New York. The court denied in part and granted in part defendants' motions to dismiss the purported class and individual actions, permitting certain claims to proceed against JPMorgan Chase and others under U.S. federal and California state antitrust laws and under the California false claims act.

As previously reported, following public reports of JPMSI's settlement with the SEC in connection with certain Jefferson County, Alabama (the "**County**") warrant underwritings and related swap transactions, the County filed a complaint against JPMorgan Chase and several other defendants in the Circuit Court of Jefferson County, Alabama. The suit alleges that JPMorgan Chase made payments to certain third parties in exchange for which it was chosen to underwrite more than \$3 billion in warrants issued by the County and chosen as the counterparty for certain swaps executed by the County. In its complaint, Jefferson County alleges that JPMorgan Chase concealed these third party payments and that, but for this concealment, the County would not have entered into the transactions. The County further alleges that the transactions increased the risks of its capital structure and that, following the downgrade of certain insurers that insured the warrants, the County's interest obligations increased and the principal due on a portion of its outstanding warrants was accelerated. JPMorgan Chase moved to dismiss.

A putative class action was filed on behalf of sewer ratepayers against JPMorgan Chase and Bear Stearns and numerous other defendants, based on substantially the same conduct described above (the "**Wilson Action**"). Defendants moved to dismiss the claims. The plaintiff in the Wilson Action recently filed a sixth amended complaint. The court has ordered that defendants file briefs in support of their motion to dismiss.

An insurance company that guaranteed the payment of principal and interest on warrants issued by the County has also filed an action against JPMorgan Chase and others in New York state court asserting that defendants fraudulently misled it into issuing the insurance coverage, based upon substantially the same alleged conduct described above and other alleged non-disclosures. Plaintiff claims that it insured an aggregate principal amount of nearly \$1.2 billion in warrants, and seeks unspecified damages in excess of \$400 million, as well as unspecified punitive damages.

The Alabama Public Schools and College Authority ("**APSCA**") brought a declaratory judgment action in the U.S. District Court for the Northern District of Alabama claiming that certain interest rate swaption transactions entered into with JPMorgan Chase Bank, N.A. are void on the grounds that the APSCA purportedly did not have the authority to enter into transactions or, alternatively, are voidable at the APSCA's option because of its alleged inability to issue refunding bonds in relation to the swaption. Following the denial of its motion to dismiss the action, JPMorgan Chase Bank, N.A. answered the complaint and filed a counterclaim seeking the amounts due under the swaption transactions. Discovery is under way.

Interchange Litigation. A group of merchants have filed a series of putative class action complaints in several U.S. federal courts. The complaints allege that Visa and MasterCard, as well as certain other banks and their respective bank holding companies, conspired to set the price of credit card interchange fees, enacted respective association rules in violation of Section 1 of the Sherman Antitrust Act (the "**Sherman Act**"), and engaged in tying/bundling and exclusive dealing. The complaint seeks unspecified damages and injunctive relief based on the theory that interchange would be lower or eliminated but for the challenged conduct. Based on publicly available estimates, Visa and MasterCard branded payment cards generated approximately \$40 billion of interchange industry-wide in 2009. All cases have been consolidated in the U.S. District Court for the Eastern District of New York for pretrial proceedings. The amended consolidated class action complaint extended the claims beyond credit to debit cards. Defendants filed a motion to dismiss all claims that predated January 2004. The Court granted the motion to dismiss those claims.

Plaintiffs then filed a second amended consolidated class action complaint. The basic theories of the complaint remain the same, and defendants again filed motions to dismiss. The Court has not yet ruled on the motions. Fact discovery has closed, and expert discovery in the case is ongoing. The plaintiffs

have filed a motion seeking class certification, and the defendants have opposed that motion. The Court has not yet ruled on the class certification motion.

In addition to the consolidated class action complaint, plaintiffs filed supplemental complaints challenging the MasterCard and Visa initial public offerings (the "**IPO Complaints**"). With respect to MasterCard, plaintiffs allege that the offering violated Section 7 of the U.S. Clayton Antitrust Act and Section 1 of the Sherman Act and that the offering was a fraudulent conveyance. With respect to the Visa IPO, plaintiffs are challenging the Visa IPO on antitrust theories parallel to those articulated in the MasterCard IPO pleading. Defendants have filed motions to dismiss the IPO Complaints. The Court has not yet ruled on those motions.

Mortgage-Backed Securities Litigation. JPMorgan Chase and affiliates, heritage-Bear Stearns and affiliates and heritage-Washington Mutual affiliates have been named as defendants in a number of cases relating to various roles they played in mortgage-backed securities ("**MBS**") offerings. These cases are generally purported class action suits, actions by individual purchasers of securities, or actions by insurance companies that guaranteed payments of principal and interest for particular tranches. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for dozens of securitisation trusts in the aggregate more than \$140 billion of securities contained material misrepresentations and omissions, including statements regarding the underwriting standards pursuant to which the underlying mortgage loans were issued, the ratings given to the tranches by rating agencies, and the appraisal standards that were used.

Purported class actions are pending against JPMorgan Chase, heritage-Bear Stearns, and certain of their affiliates and current and former employees in the U.S. District Courts for the Eastern and Southern Districts of New York. Defendants have moved to dismiss the action pending against heritage Bear Stearns entities and certain of their former employees. Heritage Washington Mutual affiliates, Washington Mutual.

Asset Acceptance Corp. and Washington Mutual Capital Corp., are defendants, along with certain former officers or directors of Washington Mutual Asset Acceptance Corp., in two now-consolidated purported class action cases pending in the Western District of Washington. In addition to allegations as to mortgage underwriting standards and ratings, plaintiffs in these cases allege that defendants failed to disclose Washington Mutual Bank's alleged coercion of or collusion with appraisal vendors to inflate appraisal valuations of the loans in the pools. Defendants have moved to dismiss. In addition to the purported class actions, certain JPMorgan Chase entities and several heritage Bear Stearns entities are defendants in actions filed in state courts in Pennsylvania and Washington brought by the Federal Home Loan Banks ("**FHLB**") of Pittsburgh and Seattle, respectively. These actions relate to each Federal Home Loan Bank's purchases of certificates in MBS offerings. Defendants moved to dismiss the complaint brought by the FHLB of Pittsburgh. Defendants removed the action by FHLB Seattle to federal court, where it was consolidated with 10 other identical lawsuits by that FHLB against other financial services firms. FHLB of Seattle has moved to remand the consolidated cases back to state court. Two additional and virtually identical suits have been filed in California state court by the Federal Home Loan Bank of San Francisco against various financial services firms, including certain heritage Bear Stearns entities.

EMC Mortgage Corporation ("**EMC**"), a subsidiary of JPMorgan Chase, is a defendant in four pending actions commenced by bond insurers that guaranteed payment on certain classes of MBS offerings sponsored by EMC. Two of the actions, commenced respectively by Ambac Assurance Corporation and Syncora Guarantee, Inc. ("**Syncora**"), are pending in the U.S. District Court for the Southern District of New York and involve five securitisations sponsored by EMC. The third action was commenced by Syncora, seeking access to certain loan files. The fourth was filed by CIFG Assurance North America, Inc. in state court in Texas, and involves one securitisation sponsored by EMC. In each action, plaintiffs claim the underlying mortgage loans had origination defects that purportedly violate certain representations and warranties given by EMC to plaintiffs and that EMC has breached the relevant agreements between the parties by failing to repurchase allegedly defective mortgage loans. Each action seeks unspecified damages and an order compelling EMC to repurchase those loans.

An action is pending in the U.S. District Court for the Southern District of New York brought on behalf of purchasers of certificates issued by various MBS securitisations sponsored by affiliates of IndyMac Bancorp ("**IndyMac Trusts**"). JPMSI, along with numerous other underwriters and individuals, is named as a defendant, both in its own capacity and as successor to Bear Stearns & Co. Inc. The

defendants have moved to dismiss. JPMorgan Chase and JPMSI are defendants in an action pending in state court in Pennsylvania brought by FHLB-Pittsburgh, relating to its purchase of a certificate issued by one IndyMac Trust. Defendants have moved to dismiss. JPMorgan Chase, as alleged successor to Bear Stearns & Co. Inc., and other underwriters, along with certain individuals, are defendants in an action pending in state court in California brought by MBIA Insurance Corp. ("MBIA") relating to certain certificates issued by three IndyMac trusts, as to two of which Bear Stearns was an underwriter, and as to which MBIA provided guaranty insurance policies. MBIA purports to be subrogated to the rights of the certificate holders, and seeks recovery of sums it has paid and will pay pursuant to those policies.

A heritage-Bear Stearns subsidiary is a defendant in a purported class action that is pending in U.S. federal court in New Mexico against a number of financial institutions that served as depositors and/or underwriters for ten MBS offerings issued by Thornburg Mortgage, a bankrupt mortgage originator.

JPMorgan Chase and certain other heritage entities have been sued in other purported class actions for their roles as an underwriter or depositor of third party MBS offerings but, other than the matters described in the above two paragraphs, JPMorgan Chase is indemnified in these other litigations.

Auction-Rate Securities Investigations and Litigation. Beginning in March 2008, several regulatory authorities initiated investigations of a number of industry participants, including JPMorgan Chase, concerning possible state and federal securities law violations in connection with the sale of auction-rate securities. The market for many such securities had frozen and a significant number of auctions for those securities began to fail in February 2008.

JPMorgan Chase, on behalf of itself and affiliates, agreed to a settlement in principle with the New York Attorney General's Office which provided, among other things, that JPMorgan Chase would offer to purchase at par certain auction-rate securities purchased from JPMSI, Chase Investment Services Corp. and Bear, Stearns & Co. Inc. by individual investors, charities, and small- to medium-sized businesses. JPMorgan Chase also agreed to a substantively similar settlement in principle with the Office of Financial Regulation for the State of Florida and the North American Securities Administrator Association ("NASAA") Task Force, which agreed to recommend approval of the settlement to all remaining states, Puerto Rico and the U.S. Virgin Islands. JPMorgan Chase finalised the settlement agreements with the New York Attorney General's Office and the Office of Financial Regulation for the State of Florida. The settlement agreements provide for the payment of penalties totalling \$25 million to all states. JPMorgan Chase is currently in the process of finalising consent agreements with NASAA's member states. More than 30 of these consent agreements have been finalised to date.

JPMorgan Chase is also the subject of a putative securities class action in the U.S. District Court for the Southern District of New York and a number of individual arbitrations and lawsuits in various forums, brought by institutional and individual investors that together allege damages of more than \$200 million, relating to JPMorgan Chase's sales of auction-rate securities. One action is brought by an issuer of auction-rate securities. The actions generally allege that JPMorgan Chase and other firms manipulated the market for auction-rate securities by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. Some actions also allege that JPMorgan Chase misrepresented that auction-rate securities were short-term instruments. Plaintiffs filed an amended consolidated complaint, which JPMorgan Chase moved to dismiss. JPMorgan Chase also filed a motion to transfer and coordinate before the Southern District five other purported auction-rate securities class actions. The Southern District subsequently denied the motion to dismiss the purported securities class action with leave to re-file upon resolution of the transfer motion.

Additionally, JPMorgan Chase was named in two putative antitrust class actions in the U.S. District Court for the Southern District of New York, which actions allege that JPMorgan Chase, in collusion with numerous other financial institution defendants, entered into an unlawful conspiracy in violation of Section 1 of the Sherman Act. Specifically, the complaints allege that defendants acted collusively to maintain and stabilise the auction-rate securities market and similarly acted collusively in withdrawing their support for the auction-rate securities market in February 2008. On 26 January 2010, the District Court dismissed both actions. The appeal is currently pending in the Second Circuit Court of Appeals.

City of Milan Litigation and Criminal Investigation. In January 2009, the City of Milan, Italy (the "**City**") issued civil proceedings against (among others) JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. in the District Court of Milan. The proceedings relate to (a) a bond issue by the City in June 2005 (the "**Bond**") and (b) an associated swap transaction, which was subsequently restructured on a number of occasions between 2005 and 2007 (the "**Swap**"). The City seeks damages and/or other remedies against JPMorgan Chase (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations by JPMorgan Chase (among others) in connection with the Swap and the Bond, together with related swap transactions with other counterparties. The civil proceedings continue and no trial date has been set as yet. JPMorgan Chase Bank, N.A. filed a challenge to the Italian Supreme Court's jurisdiction over it. In January 2009, JPMorgan Chase Bank, N.A. also received a notice from the Prosecutor at the Court of Milan placing it and certain current and former JPMorgan Chase personnel under investigation in connection with the above transactions. Since April 2009, JPMorgan Chase Bank, N.A. has been contesting an attachment order obtained by the Prosecutor, purportedly to freeze assets potentially subject to confiscation in the event of a conviction. The original Euro 92 million attachment has been reduced to Euro 44.9 million, and JPMorgan Chase Bank, N.A.'s application for a further reduction remains pending. The judge has directed four current and former JPMorgan Chase personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial starting in May 2010. Although JPMorgan Chase is not charged with any crime and does not face criminal liability, if one or more of its employees were found guilty, JPMorgan Chase could be subject to administrative sanctions, including restrictions on its ability to conduct business in Italy and monetary penalties.

Physical Segregation of Assets in U.K. Affiliate. JPMorgan Chase discovered in July 2009 that one of its U.K. affiliates was not holding certain client money in a segregated trust status account with JPMorgan Chase Bank, N.A. as required by the rules of the U.K. Financial Services Authority (the "**FSA**"). JPMorgan Chase took immediate action to rectify the error and to notify the FSA. The matter is being reviewed by the FSA's Enforcement Division.

Washington Mutual Litigations. Subsequent to JPMorgan Chase's acquisition from the U.S. Federal Deposit Insurance Corporation ("**FDIC**") of substantially all of the assets and certain specified liabilities of Washington Mutual Bank, Henderson Nevada ("**Washington Mutual Bank**"), in September 2008, Washington Mutual Bank's parent holding company, Washington Mutual, Inc. ("**WMI**") and its wholly-owned subsidiary, WMI Investment Corp. (together, the "**Debtors**") both commenced voluntary cases under Chapter 11 of Title 11 of the U.S. Code in the U.S. Bankruptcy Court for the District of Delaware (the "**Bankruptcy Case**"). In the Bankruptcy Case, the Debtors have asserted rights and interests in certain assets. The assets in dispute include principally the following: (a) approximately \$4 billion in securities contributed by WMI to Washington Mutual Bank; (b) the right to tax refunds arising from overpayments attributable to operations of Washington Mutual Bank and its subsidiaries; (c) ownership of and other rights in approximately \$4 billion that WMI contends are deposit accounts at Washington Mutual Bank and one of its subsidiaries; and (d) ownership of and rights in various other contracts and other assets (collectively, the "**Disputed Assets**").

JPMorgan Chase commenced an adversary proceeding in the Bankruptcy Case against the Debtors and (for interpleader purposes only) the FDIC seeking a declaratory judgment and other relief determining JPMorgan Chase's legal title to and beneficial interest in the Disputed Assets. Discovery is underway in the JPMorgan Chase adversary proceeding.

The Debtors commenced a separate adversary proceeding in the Bankruptcy Case against JPMorgan Chase, seeking turnover of the same \$4 billion in purported deposit funds and recovery for alleged unjust enrichment for failure to turn over the funds. The Debtors have moved for summary judgment in the turnover proceeding. Discovery is under way in the turnover proceeding.

In both JPMorgan Chase's adversary proceeding and the Debtors' turnover proceeding, JPMorgan Chase and the FDIC have argued that the Bankruptcy Court lacks jurisdiction to adjudicate certain claims. JPMorgan Chase moved to have the adversary proceedings transferred to U.S. District Court for the District of Columbia and to withdraw jurisdiction from the Bankruptcy Court to the District Court. That motion is fully briefed. In addition, JPMorgan Chase and the FDIC filed papers with the U.S. District Court for the District of Delaware appealing the Bankruptcy Court's rulings rejecting the jurisdictional arguments, and that appeal is fully briefed. JPMorgan Chase is also appealing a separate Bankruptcy Court decision holding, in part, that the Bankruptcy Court could proceed with certain matters while the first appeal is pending. Briefing on that appeal is under way.

The Debtors submitted claims substantially similar to those submitted in the Bankruptcy Court in the FDIC receivership for, among other things, ownership of certain Disputed Assets, as well as claims challenging the terms of the agreement pursuant to which substantially all of the assets of Washington Mutual Bank were sold by the FDIC to JPMorgan Chase. The FDIC, as receiver, disallowed the Debtors' claims and the Debtors filed an action against the FDIC in the U.S. District Court for the District of Columbia challenging the FDIC's disallowance of the Debtors' claims, claiming ownership of the Disputed Assets, and seeking money damages from the FDIC. JPMorgan Chase has intervened in the action. In January 2010, the District Court stayed the action pending developments in the Bankruptcy Court and ordered the parties to submit a joint status report every 120 days. In connection with the stay, the District Court denied WMI's and the FDIC's motions to dismiss without prejudice.

In addition, the Debtors moved in the Bankruptcy Court to take discovery from JPMorgan Chase purportedly related to a litigation originally filed in the 122nd State District Court of Galveston County, Texas (the "**Texas Action**"). JPMorgan Chase opposed the motion, but the Bankruptcy Court ordered that the discovery proceed. Debtors are also seeking related discovery from various third parties, including several government agencies. Plaintiffs in the Texas Action are certain holders of WMI common stock and the debt of WMI and Washington Mutual Bank who have sued JPMorgan Chase for unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at an allegedly too low price. The FDIC intervened in the Texas Action, had it removed to the U.S. District Court for the Southern District of Texas, and then the FDIC and JPMorgan Chase moved to have the Texas Action dismissed or transferred. The Court transferred the Texas Action to the District of Columbia. Plaintiffs have moved to have the FDIC dismissed as a party and to remand the action to the state court, or, in the alternative, dismissed for lack of subject matter jurisdiction. JPMorgan Chase and the FDIC have moved to have the entire action dismissed. In April 2010, in the previously disclosed Texas Action, the U.S. District Court for the District of Columbia granted JPMorgan Chase's motion to dismiss the complaint, granted the FDIC's parallel motion to dismiss the complaint and denied plaintiffs' motion to dismiss the FDIC as a party and to remand the case to Texas state court.

Other proceedings related to Washington Mutual's failure also pending before the U.S. District Court for the District of Columbia include a lawsuit brought by Deutsche Bank National Trust Company against the FDIC alleging breach of various mortgage securitisation agreements and alleged violation of certain representations and warranties given by certain WMI subsidiaries in connection with those securitisation agreements. JPMorgan Chase has not been named a party to the Deutsche Bank litigation, but the complaint includes assertions that JPMorgan Chase may have assumed certain liabilities.

On 12 March 2010, at a hearing for the previously disclosed Bankruptcy Case, the Debtors announced on the record that they had reached a settlement with JPMorgan Chase and FDIC that, subject to documentation, would resolve the previously disclosed disputes. On 26 March 2010, the Debtors filed a Plan and Proposed Disclosure Statement, together with a proposed global settlement agreement (the "**Proposed Global Settlement Agreement**"), by and among Debtors, JPMorgan Chase, and the FDIC, which incorporated the terms of the announced settlement. Debtors disclosed that while the provisions of the Proposed Global Settlement Agreement were agreed to by WMI, JPMorgan Chase and significant creditor groups of WMI, the FDIC has not agreed to all of the provisions contained in the Proposed Global Settlement Agreement. Settlement discussions are ongoing among the parties. It is unclear if those discussions will result in adherence to the terms contained in the Proposed Global Settlement Agreement or any settlement at all. While these discussions are ongoing, the previously disclosed appeals and motion to withdraw the reference pending before the U.S. District Court for the District of Delaware have been stayed. Likewise, the stay of the action Debtors commenced against the FDIC in the U.S. District Court for the District of Columbia also remains in place.

Securities Lending Litigation. JPMorgan Chase Bank N.A. has been named as a defendant in four putative class actions asserting ERISA and non-ERISA claims pending in the U.S. District Court for the Southern District of New York related to JPMorgan Chase's securities lending business. Three of the pending actions relate to losses of plaintiffs' money (i.e., cash collateral for securities loan transactions) in medium-term notes of a structured investment vehicle known as Sigma Finance Inc. ("**Sigma**"). The fourth action concerns losses of money invested in Lehman Brothers medium-term notes, as well as asset-backed securities offered by nine other issuers. JPMorgan Chase has moved to dismiss the claims regarding Lehman Brothers medium-term notes and the asset-backed securities.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by JPMorgan Investment Management Inc. ("**JPMIM**") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMIM and related defendants are liable for the loss in market value of these securities. The first case was filed by NM Homes One, Inc. in U.S. federal court in New York. The Southern District Court granted JPMIM's motion to dismiss nine of plaintiff's ten causes of action. Five of the claims were dismissed without prejudice to plaintiff's right to replead. The remaining four claims were dismissed with prejudice. The second case, filed by Assured Guaranty (U.K.) in New York state court, was dismissed and Assured has appealed the court's decision. In the third case, filed by Ambac Assurance UK Limited in New York state court, the Court granted JPMIM's motion to dismiss in March 2010, and plaintiff has filed a notice of appeal. The fourth case was filed by CMMF LLP in New York state court in December 2009; the Court granted JPMIM's motion to dismiss the claims, other than claims for breach of contract and misrepresentation. Both CMMF and JPMIM have filed notices of appeal.

Lehman Brothers Bankruptcy Proceedings. In March 2010, the Examiner appointed by the Bankruptcy Court presiding over the Chapter 11 bankruptcy proceedings of Lehman Brothers Holdings Inc ("**LBHI**") and several of its subsidiaries (collectively, "**Lehman**") released a report as to his investigation into Lehman's failure and related matters. The Examiner concluded that one common law claim potentially could be asserted against JPMorgan Chase for contributing to Lehman's failure, though he characterised the claim as "not strong." The Examiner also opined that certain cash and securities collateral provided by LBHI to JPMorgan Chase in the weeks and days preceding LBHI's demise potentially could be challenged under the Bankruptcy Code's fraudulent conveyance or preference provisions, though JPMorgan Chase is of the view that its right to such collateral is protected by the Bankruptcy Code's safe harbor provisions. In addition, JPMorgan Chase may also face claims in the liquidation proceeding pending before the same Bankruptcy Court under the U.S. Securities Investor Protection Act ("**SIPA**") for LBHI's U.S. broker-dealer subsidiary, Lehman Brothers Inc. ("**LBI**"). The SIPA Trustee has advised JPMorgan Chase that certain of the securities and cash pledged as collateral for JPMorgan Chase's claims against LBI may be customer property free from any security interest in favour of JPMorgan Chase.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits that together seek damages of more than \$1.6 billion arising out of its banking relationships with Enron Corp. and its subsidiaries ("**Enron**"). A number of actions and other proceedings against JPMorgan Chase have been resolved, including a class action lawsuit captioned Newby v. Enron Corp. and adversary proceedings brought by Enron's bankruptcy estate. The remaining Enron-related actions include individual actions by Enron investors, creditors and counterparties.

The remaining litigation also includes a suit against JPMorgan Chase alleging, in relevant part, breach of contract and breach of fiduciary duty based upon JPMorgan Chase's role as Indenture Trustee in connection with an indenture agreement between JPMorgan Chase and Enron. The case has been dismissed. In April 2010, the New York Court of Appeals affirmed the order dismissing the action.

A putative class action on behalf of JPMorgan Chase employees who participated in JPMorgan Chase's 401(k) plan asserted claims under ERISA for alleged breaches of fiduciary duties and negligence by JPMorgan Chase, its directors and named officers. JPMorgan Chase moved for judgment on the pleadings and the district court granted the motion in March 2010. Plaintiffs have appealed.

IPO Allocation Litigation. JPMorgan Chase and certain of its securities subsidiaries, including Bear Stearns, were named, along with numerous other firms in the securities industry, as defendants in a large number of putative class action lawsuits filed in the U.S. District Court for the Southern District of New York alleging improprieties in connection with the allocation of securities in various public offerings, including some offerings for which a JPMorgan Chase entity served as an underwriter. They also claim violations of securities laws arising from alleged material misstatements and omissions in registration statements and prospectuses for the initial public offerings ("**IPOs**") and alleged market manipulation with respect to aftermarket transactions in the offered securities. Antitrust lawsuits based on similar allegations have been dismissed with prejudice. A settlement was reached in the securities cases, which the District Court approved; JPMorgan Chase's share of the settlement is approximately \$62 million. Appeals have been filed in the U.S. Court of Appeals for the Second Circuit seeking reversal of the decision approving the settlement.

In addition to the various cases, proceedings and investigations discussed above, JPMorgan Chase & Co. and its subsidiaries are named as defendants or otherwise involved in a number of other legal actions and governmental proceedings arising in connection with their businesses. JPMorgan Chase believes it has meritorious defences to the claims asserted against it in its currently outstanding litigations, investigations and proceedings and it intends to defend itself vigorously in all such matters. Additional actions, investigations or proceedings may be initiated from time to time in the future.

In view of the inherent difficulty of predicting the outcome of legal matters, particularly where the claimants seek very large or indeterminate damages, or where the cases present novel legal theories, involve a large number of parties or are in early stages of discovery, JPMorgan Chase cannot state with confidence what the eventual outcome of these pending matters will be, what the timing of the ultimate resolution of these matters will be or what the eventual loss, fines, penalties or impact related to each pending matter may be. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal actions, proceedings and investigations currently pending against it should not have a material adverse effect on JPMorgan Chase's consolidated financial condition. However, in light of the uncertainties involved in such proceedings, actions and investigations, there is no assurance that the ultimate resolution of these matters will not significantly exceed the reserves currently accrued by JPMorgan Chase; as a result, the outcome of a particular matter may be material to JPMorgan Chase's operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of JPMorgan Chase's income for that period.

Save as disclosed above, JPMorgan Chase & Co. is not and has not been involved in any governmental, legal or arbitration proceedings relating to claims or amounts that are material during the 12 month period ending on the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of JPMorgan Chase & Co. nor, so far as JPMorgan Chase & Co. is aware, are any such governmental, legal or arbitration proceedings pending or threatened.

Additional Information

The periodic reports that JPMorgan Chase & Co. files with the SEC, including its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as they become available, can be viewed on the SEC's website at www.sec.gov. Those reports and additional information concerning JPMorgan Chase & Co. can also be viewed on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>.

JPMORGAN CHASE BANK, N.A.

History, Development and Organisational Structure

JPMorgan Chase Bank, N.A. is one of the principal bank subsidiaries of JPMorgan Chase & Co. JPMorgan Chase Bank offers a wide range of banking services to its customers both in the United States and internationally, including investment banking, financial services for consumers and businesses, financial transactions processing and asset management. Under the J.P. Morgan and Chase brands, JPMorgan Chase Bank serves millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients.

JPMorgan Chase Bank, N.A. was initially organised as a New York banking corporation on 26 November 1968, and converted into a national banking association on 13 November 2004. JPMorgan Chase Bank, N.A. is chartered and its business is subject to examination and regulation by the U.S. Office of the Comptroller of the Currency (the "OCC"), a bureau of the U.S. Department of the Treasury. JPMorgan Chase Bank, N.A. is a member of the U.S. Federal Reserve System and its U.S. domestic deposits are insured by the FDIC. Its U.S. Federal Reserve Bank Identification Number is 852218.

The powers of JPMorgan Chase Bank, N.A. are set forth in the U.S. National Bank Act and include all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; and by obtaining, issuing, and circulating notes.

The registered office of JPMorgan Chase Bank, N.A. is located at 1111 Polaris Parkway, Columbus, Ohio 43240, U.S.A. JPMorgan Chase Bank, N.A.'s principal place of business is located at 270 Park Avenue, New York, New York 10017-2070, U.S.A. and its telephone number is +1 212 270 6000.

Principal Activities and Principal Markets

JPMorgan Chase Bank's activities are organised and integrated with the businesses of JPMorgan Chase. See the section entitled "*JPMorgan Chase & Co. Principal Activities and Principal Markets*" for further information.

Trend Information

JPMorgan Chase Bank's activities are organised and integrated with the businesses of JPMorgan Chase. See the section entitled "*JPMorgan Chase & Co. Trend Information*" for further information.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no material adverse change in the prospects of JPMorgan Chase Bank, N.A. since 31 December 2009.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no significant change in the financial or trading position of JPMorgan Chase Bank, N.A. since 31 December 2009.

Executive Officers and Directors

Executive Officers

The following persons are the Executive Officers of JPMorgan Chase Bank, N.A. as at the date of this Base Prospectus. The business address of each Executive Officer is 270 Park Avenue, New York, New York 10017, U.S.A.

Name	Title
James Dimon President	Chairman of the Board, Chief Executive Officer and
Frank J. Bisignano	Chief Administrative Officer
Steven D. Black	Vice Chairman
Michael J. Cavanagh	Chief Financial Officer

Stephen M. Cutler	General Counsel
John L. Donnelly	Director, Human Resources
William M. Daley	Head, Corporate Responsibility
Ina R. Drew	Chief Investment Officer
Mary Callahan Erdoes	Chief Executive Officer, Asset Management
Samuel Todd Maclin	Head, Commercial Banking
Jay Mandelbaum	Head, Strategy and Business Development
Heidi Miller	Chief Executive Officer, Treasury & Securities Services
Charles W. Scharf	Chief Executive Officer, Retail Financial Services
Gordon A. Smith	Chief Executive Officer, Card Services
James E. Staley	Chief Executive Officer, Investment Bank
Barry L. Zubrow	Chief Risk Officer

Directors

The following persons are the members of the Board of Directors of JPMorgan Chase Bank, N.A. as at the date of this Base Prospectus. The business address of each Director is JPMorgan Chase Bank, N.A., 270 Park Avenue, New York, New York 10017, U.S.A.

Name	Principal Occupation	Principal activity outside JPMorgan Chase Bank, N.A.
James Dimon	Chairman of the Board, Chief Executive Officer and President	Chairman of the Board, Chief Executive Officer and President of JPMorgan Chase & Co.
Frank J. Bisignano	Chief Administrative Officer	Chief Administrative Officer of JPMorgan Chase & Co.
Steven D. Black	Vice Chairman	Vice Chairman of JPMorgan Chase & Co.
Michael J. Cavanagh	Chief Financial Officer	Chief Financial Officer of JPMorgan Chase & Co.
Charles W. Scharf	Chief Executive Officer, Retail Financial Services	Chief Executive Officer, Retail Financial Services of JPMorgan Chase & Co.
James E. Staley	Chief Executive Officer, Investment Bank	Chief Executive Officer, Investment Bank of JPMorgan Chase & Co.

Conflicts of Interest

There are no material potential conflicts of interest between the duties to JPMorgan Chase Bank, N.A. of each of the Executive Officers and Directors named above and his/her private interests and/or other duties.

Financial Information

JPMorgan Chase Bank, N.A. prepares annual and quarterly consolidated financial statements in accordance with U.S. generally accepted accounting principles. In addition, where applicable, the accounting and financial reporting policies of JPMorgan Chase Bank, N.A. conform to the accounting and reporting guidelines prescribed by U.S. bank regulatory authorities. JPMorgan Chase Bank, N.A. also prepares Call Reports as described under the section "Documents Incorporated by Reference".

Selected financial information

The selected consolidated financial data set forth in the below table have been extracted from the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements incorporated by reference into this

Base Prospectus. This information should be read in conjunction with the notes to the consolidated financial statements and the other detailed financial information concerning JPMorgan Chase Bank, N.A. incorporated by reference into this Base Prospectus.

Selected income statement data

(in millions)	Year ended 31 December	
	<u>2009</u>	<u>2008</u>
Total net revenue	\$ 77,988	\$ 64,746
Total noninterest expense	43,391	37,284
Pre-provision profit (a)	34,597	27,462
Provision for credit losses	22,712	16,238
Income before income tax expense/(benefit)	11,885	11,224
Income tax expense/(benefit)	3,539	2,711
Income before extraordinary gain	8,346	8,513
Extraordinary gain (b)	76	1,906
Net income	\$ 8,422	\$ 10,419

Selected balance sheet data

(in millions)	31 December	
	<u>2009</u>	<u>2008</u>
Trading assets	\$ 302,589	\$ 365,365
Securities	347,873	199,716
Loans	558,424	662,312
Total assets	1,624,684	1,746,242
Deposits	1,024,036	1,055,765
Long-term debt	68,679	72,462
Total stockholders' equity	127,294	128,767

Notes:

- (a) Pre-provision profit is total net revenue less noninterest expense. JPMorgan Chase Bank, N.A. believes that this financial measure is useful in assessing the ability of a lending institution to generate income in excess of its provision for credit losses.
- (b) On 25 September 2008, JPMorgan Chase acquired the banking operations of Washington Mutual. The Washington Mutual acquisition resulted in negative goodwill, and accordingly, JPMorgan Chase Bank, N.A. recorded an extraordinary gain. For additional information on this transaction, see Note 3 on pages 9 to 12 of JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements.

Auditors

The JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements and JPMorgan Chase Bank, N.A. 2008 Audited Financial Statements are incorporated by reference into this Base Prospectus and have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm supervised by the Public Company Accounting Oversight Board (registration number 36148) of 300 Madison Avenue, New York, NY 10017, U.S.A., without qualification. A copy of the auditor's report is on page 1 of the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements and on page 1 of the JPMorgan Chase Bank, N.A. 2008 Audited Financial Statements.

Dividends

JPMorgan Chase Bank, N.A., which is a wholly-owned direct subsidiary of JPMorgan Chase & Co., paid the following cash dividends to JPMorgan Chase & Co. for each of the five consecutive fiscal years ended 31 December 2009:

Fiscal Year	Dividend Amount
2009	\$ 15,200,000,000
2008	\$ 1,000,000,000
2007	\$ 3,500,000,000
2006	\$ 1,000,000,000
2005	\$ 500,000,000
2004	\$ 800,000,000

Capital Structure*Stockholder's Equity*

The following table provides information concerning the liabilities and stockholder's equity of JPMorgan Chase Bank, N.A. as at 31 December 2009, and has been extracted from the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements which are incorporated by reference into this Base Prospectus. This information should be read in conjunction with the notes to the consolidated financial statements and the other detailed financial information concerning JPMorgan Chase Bank, N.A. incorporated by reference into this Base Prospectus.

(in millions, except share data)

31 December 2009

Stockholder's equity

Preferred stock (\$1 par value; authorised 15,000,000 shares; issued zero shares)	--
Common stock (\$12 par value; authorised 150,000,000; issued 148,761,243 shares)	\$ 1,785
Capital surplus	78,377
Retained earnings	45,494
Accumulated other comprehensive income/(loss)	1,638
Total stockholder's equity	\$127,294

Common Stock

As of 31 December 2009, JPMorgan Chase Bank, N.A. had 148.7 million shares of common stock outstanding with a par value of \$12 each and did not hold any shares of its common stock.

Convertible Securities and Warrants, Bonds, Borrowings and Contingent Liabilities

Refer to the notes to the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements incorporated by reference into this Base Prospectus for information regarding warrants, bonds, borrowings and contingent liabilities outstanding as at 31 December 2009.

Principal Subsidiaries

None of JPMorgan Chase Bank, N.A.'s subsidiaries was of material importance for purposes of assessing the assets and liabilities, financial position and net income of JPMorgan Chase Bank as reflected in the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements. Exhibit 21.1 to the JPMorgan Chase & Co. 2009 Form 10-K incorporated by reference into this Base Prospectus contains a list of JPMorgan Chase & Co.'s subsidiaries which has been prepared in accordance with SEC rules.

Properties

JPMorgan Chase Bank's properties are organised and integrated with the properties of JPMorgan Chase. See the section entitled "JPMorgan Chase & Co. -- Properties" for further information.

Litigation

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Litigation*", JPMorgan Chase Bank, N.A. is not and has not been involved in any governmental, legal or arbitration proceedings relating to claims or amounts that are material during the 12 month period ending on the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of JPMorgan Chase Bank, N.A. nor, so far as JPMorgan Chase Bank, N.A. is aware, are any such governmental, legal or arbitration proceedings pending or threatened.

J.P. MORGAN STRUCTURED PRODUCTS B.V.

History, Development and Organisational Structure

JPMSP was incorporated as a limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of The Netherlands in Amsterdam, The Netherlands on 6 November 2006 to exist for an unlimited duration. JPMSP was registered at the Chamber of Commerce of Amsterdam under registered number 34259454 and has its registered offices at Strawinskyalaan 3105, Atrium 7th Floor, 1077 ZX Amsterdam, The Netherlands (telephone number +31 20 406 4444).

JPMSP is an indirect, wholly-owned subsidiary of JPMorgan Chase Bank, N.A.. JPMorgan Chase Bank, N.A. is one of the principal bank subsidiaries of JPMorgan Chase & Co., a company incorporated in the State of Delaware in the United States of America.

Investment Policy

JPMSP may undertake independent investments in its sole discretion with the proceeds (net of third party costs) of an issuance of notes, warrants or certificates, subject to compliance with certain legal, tax and regulatory restrictions.

Principal Activities

JPMSP's business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, reverse convertible and market participation notes (the "**Securities**") and the subsequent hedging of those risk positions. All issuances which have been closed to date are subject to hedging arrangements. The proceeds of the sale of the securities are used for general corporate purposes, including the entry into hedging arrangements with other J.P. Morgan affiliates. JPMSP anticipates that the hedging arrangements will be sufficient to hedge itself against the market risk of its securities issuance activities. JPMSP also has receipts from and makes payments to other J.P. Morgan affiliates.

Principal Markets

During the financial year ended 31 December 2009, JPMSP issued securities in the Asia Pacific region, in Europe, the Middle East, Africa and a limited number in the United States of America.

Trend Information

JPMSP's primary objective in 2010 will be the continued development of securitised products for their placement to retail, 'high net worth' and institutional investors principally outside of the United States of America, linked to various underlying reference assets including equity, credit, interest rates, commodities and so called "alternatives" such as funds and hedge funds.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no material adverse change in the prospects of JPMSP since 31 December 2009.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no significant change in the financial or trading position of JPMSP since 31 December 2009.

Directors and Officers

The administrative, management and supervisory bodies of JPMSP comprise its Board of Directors. Set forth below is the name and position of JPMSP's Directors:

Name	Function	Business address
Jacob Cornelis Willem van Burg	Managing Director	Strawinskyalaan 3105, Atrium 7th Floor, 1077 ZX Amsterdam, The Netherlands

Name	Function	Business address
Jakob Pieter Everwijn	Managing Director	Strawinskylaan 3105, Atrium 7th Floor, 1077 ZX Amsterdam, The Netherlands
Jozef Cornelis Petrus van Uffelen	Managing Director	Strawinskylaan 3105, Atrium 7th Floor, 1077 ZX Amsterdam, The Netherlands

The principal outside activities of Messrs. Van Burg, Everwijn and Van Uffelen are as employees of the firm Equity Trust, a trust company which was established in The Netherlands in 1970. All Directors hold office until removed.

Subject in the case of Messrs. Van Burg, Everwijn and Van Uffelen to their duties to Equity Trust, there are no actual or potential conflicts of interest between any duties owed to JPMSP by the Directors of JPMSP identified above and their private interests and/or outside duties.

Corporate Governance

JPMSP complies with established and accepted principles of corporate governance in The Netherlands. The Board of Directors of JPMSP conducts itself in accordance with general principles of Dutch corporate law.

The Board of Directors has appointed a committee to authorise and transact issuances of Securities. No other committees made up for specific purposes or to perform specific functions have been appointed.

Financial information

Historical financial information

JPMSP was incorporated on 6 November 2006. The JPMSP 2009 Audited Financial Statements are prepared and filed in accordance with the laws of The Netherlands.

JPMSP's Audited Financial Statements are incorporated by reference into this Base Prospectus. PricewaterhouseCoopers Accountants N.V., who are members of the Royal Dutch Institute of Chartered Accountants (*Koninklijk Nederlands Instituut voor Registeraccountants*), have audited without qualification the JPMSP Audited Financial Statements. Copies of the auditor's reports appear at page 27 of the JPMSP 2009 Audited Financial Statements and at page 24 of the JPMSP 2008 Audited Financial Statements, and are incorporated by reference into this Base Prospectus. PricewaterhouseCoopers Accountants N.V. has no material interest in JPMSP.

The address of PricewaterhouseCoopers Accountants N.V. is: Thomas R. Malthusstraat 5, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands.

JPMSP produces unaudited interim financial statements in respect of the period ended 30 June in each year.

Selected Financial Information

The profit after tax of JPMSP for the financial year ending 31 December 2009 was U.S.\$1,276,000 (U.S.\$9,183,000 for the financial year ended 31 December 2008). As at 31 December 2009 the total shareholders' funds of JPMSP were U.S.\$524,761,000 (U.S.\$523,485,000 as at 31 December 2008). JPMSP's profit on ordinary activities before taxation for the year ended 31 December 2009 was U.S.\$1,888,000 (U.S.\$12,841,000 for the year ended 31 December 2008). JPMSP's total assets at 31 December 2009 were U.S.\$48,698,805,000 (U.S.\$17,701,353,000 as at 31 December 2008). JPMSP's total liabilities as at 31 December 2009 were U.S.\$48,174,044,000 (U.S.\$17,177,868,000 as at 31 December 2008).

Capital Structure

The authorised share capital of JPMSP is euro 90,000, divided into 90,000 ordinary shares of euro 1.00 each. At incorporation 18,000 ordinary shares were issued. By a notarial deed of share issuance dated 29 March 2007 an additional 2,000 ordinary shares were issued in consideration of U.S.\$500,000,000.

The total issued and paid up share capital therefore amounts to 20,000 ordinary shares. JPMSP does not hold any of its own shares.

Memorandum and Articles of Association

JPMSP's objects as set out in Article 3 of its Articles of Association are:

- (a) to incorporate, to participate in any way whatsoever, to manage, to supervise, to operate and to promote enterprises, businesses and companies;
- (b) to finance businesses and companies;
- (c) to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with the aforementioned;
- (d) to enter into swaps and any other derivative transactions whatsoever to hedge the company's exposure under any agreements, securities or other instruments whatsoever to which it is a party;
- (e) to supply advice and to render services to enterprises and companies with which the company forms a group and to third parties;
- (f) to render guarantees, to bind the company and to pledge its assets for obligations of the companies and enterprises with which it forms a group and on behalf of third parties;
- (g) to obtain, alienate, manage and exploit registered property and items of property in general;
- (h) to trade in currencies, securities and items of property in general;
- (i) to develop and trade in patent, trade marks, licenses, know how and other intellectual and industrial property-rights; and
- (j) to perform any and all activity of industrial, financial or commercial nature,

as well as everything pertaining to the foregoing, relating thereto or conducive thereto, all in the widest sense of the word.

Operating Profit

The operating profit of JPMSP for the years ended 31 December 2009 and 31 December 2008 was U.S.\$668,000 and U.S.\$228,000 respectively.

Principal Establishments and Real Estate owned

JPMSP does not own any principal establishments, which account for more than 10% (ten per cent.) of its revenues, nor does JPMSP own any real estate directly.

Dividends

JPMSP has not paid any dividends since its incorporation on 6 November 2006.

Legal and Arbitration Proceedings

JPMSP is not and has not been involved in any governmental, legal or arbitration proceedings relating to claims or amounts that are material during the 12 month period ending on the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of JPMSP nor, so far as JPMSP is aware, are any such governmental, legal or arbitration proceedings pending or threatened.

J.P. MORGAN BANK DUBLIN PLC

History, Development and Organisational Structure

J.P. Morgan Bank Dublin plc ("**JPMBD**") (formerly known as Bear Stearns Bank plc) was registered with the Irish Companies Registration Office on 27 November 1995 with registered number 241404. JPMBD was re-registered as a public limited company on 15 October 1996 to exist for an unlimited duration. JPMBD is based in Dublin, Ireland, and is a credit institution and bank licensed by the Central Bank and the Financial Services Authority of Ireland. It is regulated by the Financial Regulator. JPMBD is an indirect, wholly-owned subsidiary of J.P. Morgan Chase & Co. The telephone number of JPMBD is +353 1 612 3000.

The most recently prepared audited financial statements were for the year ended 31 December 2009.

Investment Policy

JPMBD may undertake the business of banking in all its aspects and do all manner of things incidental thereto or which may at any time be usual in connection with the business of banking or dealing in money (in any currency whatsoever) or securities for money and, in particular, to lend and advance money or give credit to any company or person, whether in the Republic of Ireland or elsewhere. JPMBD may, subject to compliance with certain legal, tax and regulatory restrictions, also undertake independent investments in its sole discretion with the proceeds of any issuance of securities.

Principal Activities

JPMBD's activities are focused on traditional banking activities, issuance of Securities under the Programme and treasury related activity on behalf of the J.P. Morgan group. Historically fixed income derivatives were the mainstay of its business activity.

Principal Markets

During the financial year ended 31 December 2009, the integration of JPMBD into the J.P. Morgan group was completed and the exit of former Bears Stearns business was substantially completed. During the year, JPMBD acquired a portfolio of issued notes with their corresponding hedges and cash balances from an affiliate entity, Bear Stearns Global Asset Holdings. The capital base and ownership structure of JPMBD was restructured to reflect its new risk profile.

Trend Information

The following forward-looking statement is based upon the current beliefs and expectations of JPMBD's management and is subject to significant risks and uncertainties. These risks and uncertainties could cause JPMBD's results to differ materially from those set forth in such forward-looking statements.

JPMBD's outlook for 2010 should be viewed against the backdrop of the global economies, financial markets activity (including interest rate movements), the geopolitical environment, the competitive environment and client activity levels. Each of these linked factors will affect the performance of JPMBD.

JPMBD's primary objective in 2010 will be to develop traditional banking activities and the issuance of securities under the Programme to be offered and sold to retail, 'high net worth' and institutional investors principally outside of the United States of America, linked to a range of underlying reference assets including equity, credit, interest rates, commodities and so called "alternatives" such as funds and hedge funds.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no material adverse change in the prospects of JPMBD since 31 December 2009.

Save as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no significant change in the financial or trading position of JPMBD since 31 December 2009.

Administration and Operations

Operational risk is the risk of loss resulting from inadequate or failed processes or systems, human factors or external events. To monitor and control operating risk, JPMBD maintains a system of comprehensive policies and a control framework, integrated into the J.P. Morgan group framework, designed to provide a sound and well-controlled operational environment.

Directors, Officers and Employees

Directors

The following persons are the members of the Board of Directors of JPMBD as at the date of this Base Prospectus and the business address of each director is JPMorgan House, 1 Georges Dock, International Financial Services Centre, Dublin 1, Ireland.

Name	Title
Frederic P. Mouchel	Chairman
Liam J. MacNamara	Director, Joint Chief Executive Officer
Niamh G. Walsh	Director, Joint Chief Executive Officer
Dara M. Quinn	Director, Chief Financial Officer
Michael J. Meagher	Director
Padraic O'Connor	Director
Graham Meadows	Director
Ronald Friend	Director

There are no material potential conflicts of interest between the duties to JPMBD of each member of the Board of Directors of JPMBD and his/her private interests or other duties.

There are no principal activities performed by the members of the administrative management or supervisory bodies and partners outside JPMBD which are significant to JPMBD as issuer.

The Board of Directors meets on a quarterly basis to review JPMBD's activities. The Board is responsible for setting the corporate strategy of JPMBD, monitoring and reviewing performance and providing oversight of major initiatives. The Board includes directors with significant banking and capital markets experience gained in a broad range of international financial institutions.

The Board has delegated day-to-day control and management of JPMBD's activities to Management and various Board approved Committees to oversee and review various aspects of JPMBD's business. The Joint Chief Executives and other appropriate members of Management report quarterly to the Board or sub-committees of the Board on all significant matters affecting JPMBD and on all relevant issues arising from the work of the various Committees. The charters and composition of the various Committees are reviewed annually by the Board.

The Board approved Committees include the Audit Committee and the Local Management Committee.

Management

Name	Title
Liam J. MacNamara	Director, Joint Chief Executive Officer
Niamh G. Walsh	Director, Joint Chief Executive Officer
Dara M. Quinn	Director, Chief Financial Officer
P. Colm Kellaghan	Secretary, Head of Legal and Compliance

All of the above named individuals are involved on a daily basis with the management of the issuer, the monitoring and control of its activities and its compliance with the legal, tax and regulatory requirements as laid down by the applicable authorities.

Financial Statements

The financial statements of JPMBD as of 31 December 2009 and 31 December 2008 have been audited, without qualification, by PricewaterhouseCoopers Chartered Accountants & Registered

Auditors, who are members of the Chartered Accountants in Ireland and they conducted the audit in accordance with the International Standards on Accounting (UK and Ireland) issued by the Auditing Practices Board.

A copy of the auditors report is on pages 7 to 8 of the JPMBD 2009 Audited Financial Statements and on pages 7 to 8 of the JPMBD 2008 Audited Financial Statements. The auditors of JPMBD have no material interest in JPMBD. The auditors have not resigned and were not removed during the period covered by the historical financial information.

The address of PricewaterhouseCoopers is One Spencer Dock, North Wall Quay, Dublin 1, Ireland.

J.P. Morgan Bank Dublin plc prepares unaudited interim financial statements in respect of the six months period ending 30 June in each year.

Except as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no material adverse change in the prospects of JPMBD since 31 December 2009.

Except as disclosed in this Base Prospectus, including the information incorporated by reference into this Base Prospectus, there has been no significant change in the financial or trading position of JPMBD since 31 December 2009.

Selected Financial Information

The (Loss) after tax of JPMBD for the financial year ending 31 December 2009 was U.S.\$(13,900,000) (U.S.\$(316,063,000) for the financial year ended 31 December 2008). As at 31 December 2009 the total shareholders' funds of JPMBD were U.S.\$753,685,000 (U.S.\$768,128,000 as at 31 December 2008). JPMBD's (Loss) on ordinary activities before taxation for the year ended 31 December 2009 was U.S.\$(13,900,000) (U.S.\$(320,034,000) for the year ended 31 December 2008). JPMBD's total assets at 31 December 2009 were U.S.\$3,338,141,000 (U.S.\$16,618,974,000 as at 31 December 2008). JPMBD's total liabilities as at 31 December 2009 were U.S.\$2,584,456,000 (U.S.\$15,850,846,000 as at 31 December 2008).

Capital Structure

The authorised share capital of JPMBD is €38,092.14 divided into 30,000 ordinary shares of €1.269738 each and U.S.\$50,000,000 divided into 50,000,000 ordinary shares of U.S.\$1.00 each.

30,000 ordinary shares of €1.269738 are issued and fully paid in cash at par, and 952,000 ordinary shares of U.S.\$1.00 are issued and fully paid.

Net Turnover

The net turnover of JPMBD for the years ended 31 December 2009 and 31 December 2008 was U.S.\$(9,708,000) and U.S.\$(291,655,000) respectively.

Dividends

JPMBD has not paid any dividends since its incorporation.

Memorandum and Articles of Association

Pursuant to clause 3 of its Memorandum of Association, the objects for which JPMBD was established include to establish and carry on the business of banking in all its aspects and do all manner of things incidental thereto which may at any time hereafter be usual in connection with the business of banking or dealing in money (in any currency whatsoever) or securities for money and, in particular, to lend and advance money or give credit to any company or person, whether in the Republic of Ireland or elsewhere.

Legal and Arbitration Proceedings

JPMBD is not and has not been involved in any governmental, legal or arbitration proceedings relating to claims or amounts that are material during the 12-month period ending on the date of this Base

Prospectus which may have, or have had in the recent past, significant effects in the financial position or profitability of JPMBD nor, so far as JPMBD is aware, are any such governmental, legal or arbitration proceedings pending or threatened.

J.P. MORGAN INDIES SRL

History, Development and Organisational Structure

J.P. Morgan Indies SRL ("**JPMI**") was organised as a society with restricted liability under the laws of Barbados on 16 March 2010 for a duration of fifty years from its date of organisation. JPMI was registered at the Corporate Affairs and Intellectual Property Office of Barbados under registered number 980 and has its registered offices at Suite 203, Lauriston House, Lower Collymore Rock, P.O. Box 1132, Bridgetown, Barbados BB11000 (telephone number +(246) 430 8650).

Principal Activities

JPMI's business principally consists of the issuance of securitised derivatives comprising notes, warrants and certificates, including equity-linked, credit-linked, reverse convertible and market participation notes (the "**Securities**") and the subsequent hedging of those risk positions. All issuances will be subject to hedging arrangements. The proceeds of the sale of the securities are used for general corporate purposes, including the entry into hedging arrangements with other J.P. Morgan affiliates. JPMI anticipates that the hedging arrangements will be sufficient to hedge itself against the market risk of its securities issuance activities. JPMI also has receipts from and makes payments to other J.P. Morgan affiliates.

Organisational Structure

JPMI is an indirect, wholly-owned subsidiary of JPMorgan Chase & Co., a company incorporated in the State of Delaware in the United States of America.

The direct parent company and sole quotaholder of JPMI is JPMorgan Chase Funding Inc.

Trend Information

Save as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of JPMI's since the date of its incorporation.

Save as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of JPMI since the date of its incorporation.

Managers

The administrative, management and supervisory bodies of JPMI comprise its Board of Managers. Set forth below is the name and position of JPMI's Managers:

Name	Function	Business address
Philip H. Kingston	Manager	Suite 203, Lauriston House, Lower Collymore Rock, P.O. Box 1132, Bridgetown, Barbados BB11000
Deborah J. Simmons	Manager	Suite 203, Lauriston House, Lower Collymore Rock, P.O. Box 1132, Bridgetown, Barbados BB11000
Anupam Gupta	Manager	125 London Wall, London EC2A 5AJ, England

The principal outside activities of Mr. Kingston and Ms. Simmons are as employees of the firm J&T Bank & Trust. They are both Barbados residents. The principal outside interest Mr. Gupta is as an employee of J.P. Morgan Securities Ltd. All managers hold office until removed.

Subject to their duties to J&T Bank & Trust or, in the case of Mr. Gupta, his duties to J.P. Morgan Securities Ltd., there are no actual or potential conflicts of interest between any duties owed to JPMI by the managers of JPMI identified above and their private interests and/or outside duties.

Financial information

Historical financial information

JPMI is a newly organised society with restricted liability and therefore has no financial information as at the date of this Base Prospectus.

On an annual basis JPMI will prepare and publish audited financial statements, which will be filed in accordance with the laws of Barbados. JPMI intends to prepare and publish audited annual financial statements. JPMI will not produce interim financial statements until required to do so by applicable law or regulations.

It is anticipated that JPMI will have an accounting reference date of 31 December with the first full fiscal year ending 31 December 2010.

Legal and Arbitration Proceedings

JPMI is not and has not been involved in any governmental, legal or arbitration proceedings relating to claims or amounts that are material since its incorporation on 16 March 2010 which may have, or have had in the recent past, significant effects on the financial position or profitability of JPMI nor, so far as JPMI is aware, are any such governmental, legal or arbitration proceedings pending or threatened.

BOOK-ENTRY CLEARING SYSTEMS

The information appearing below is based on the Issuers' understanding of the rules and procedures of the relevant Clearing System as derived from public sources. These rules and procedures are subject to change.

Securities held through a Relevant Clearing System

See "Book-entry systems" below. Transfers of Securities which are held in a Relevant Clearing System may be effected only through the Relevant Clearing System(s) in which the Securities to be transferred are held. Title will pass upon registration of the transfer in the books of the Relevant Clearing System(s) and in accordance with the local laws, regulations and/or rules governing such Relevant Clearing Systems.

Beneficial interests in the Global Securities will be shown on, and transfers thereof will be effected through, records maintained by the Relevant Clearing System(s) and its respective participants.

Book-entry systems

DTC, Euroclear, Clearstream, Luxembourg and Clearstream Frankfurt have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Securities among participants and accountholders of DTC, Euroclear, Clearstream, Luxembourg and Clearstream Frankfurt. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, Guarantors, the Relevant Programme Agents or any Dealer will be responsible for any performance by DTC, Euroclear, Clearstream, Luxembourg or Clearstream Frankfurt or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Securities represented by Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France and Euroclear Finland

Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France and Euroclear Finland each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France and Euroclear Finland provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France and Euroclear Finland also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other. Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France and Euroclear Finland customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear, Clearstream, Luxembourg, Clearstream Frankfurt, Euroclear France and Euroclear Finland is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

DTC

DTC is a limited-purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerised book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both

U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC, in turn, is owned by a number of Direct Participants and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the depository system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly ("**Indirect Participants**"). The rules applicable to Direct Participants are on file with the SEC. More information about DTC can be found at its internet web site at <http://www.dtcc.com/>.

SIX SIS AG

SIX SIS AG has been part of SIX Group since January 2008. SIX Group was formed at the beginning of 2008 through the merger of SWX Group, SIS Group and Telekurs Group.

As both a central securities depository and an international central securities depository, SIX SIS AG offers banks and other financial market participants the safe custody of securities, a full range of custody services and the settlement of securities transactions. SIX SIS AG settles securities transactions worldwide, including transactions in uncertificated securities.

In the Swiss market, SIX SIS AG is part of the so-called Swiss value chain. The links to the SIX Swiss Exchange AG and the payment systems SIC/euroSIC, ensure fully automated settlement in central bank money.

Euroclear Sweden

Euroclear Sweden is a subsidiary within the Euroclear group of companies. Euroclear Sweden is a limited liability company. It is authorised and regulated by the Swedish Financial Supervisory Authority as a central securities deposit within the meaning of the Swedish Financial Instruments Accounts Act (1998:1479 (as amended)) and as a clearing organisation within the meaning of the Swedish Securities Markets Act (2007:528 (as amended)). Swedish Securities will be issued in registered, uncertificated and dematerialised book-entry form with Euroclear Sweden in accordance with the Swedish CSD Rules. No physical notes, certificates or other physical instruments (whether in global, temporary or definitive form) will be issued in respect of the Swedish Securities other than as specifically allowed in the General Conditions. All transactions relating to the Swedish Securities (such as issuance, sale and transfer, pledge arrangements and other dispositions and redemptions) are executed as computerised book-entry registrations. Consequently, in order to effect such entries Holders must establish a book-entry account through a credit institution or a securities firm acting as an account operator with Euroclear Sweden. More information regarding Euroclear Sweden and its rules and operating procedures can be found at its internet web site at <http://www.ncsd.eu>.

VPS

The VPS is the Norwegian paperless centralized securities registry. It is a computerized bookkeeping system in which the ownership of and transactions relating to securities that are registered with the VPS are recorded. The VPS also and facilitate the clearance and settlement of securities transactions. All transactions relating to securities registered with the VPS are made through computerized book entries. The VPS confirms each entry by sending a transcript to the registered holder irrespective of any beneficial ownership. To effect such entries, the individual holder must establish a VPS account with an authorised VPS account agent. Amongst others banks and investment firms authorises to conduct services in or into Norway can become authorised VPS account agents. Indirect access to the VPS is available to authorised institutions that offer custodial/nominee services in securities registered with the VPS. The entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuer or a third party claiming an interest in the relevant security. The VPS is generally liable for any loss resulting from an error in connection with registering, altering or cancelling a right, except in the event of contributory negligence, in which event compensation owed by the VPS may be reduced or withdrawn.

VP

VP operates the Danish depository and clearing centre. VP undertakes the electronic issue of securities, registering book-entry of ownership and rights, and undertakes clearing and settlement of transactions. VP offers a direct and automated link to the international securities market through Euroclear Bank, which permits customers in Euroclear to trade in Danish securities with settlement in Euroclear without loss of value days. VP operates with six clearing and settlement blocks every 24 hours, with netting of customers' positions in both cash and securities. Delivery and payment on a net basis are simultaneous. During daytime trading hours, there is also the possibility of real-time gross settlement (RTGS). Entities wishing to issue securities through VP must enter into an agreement with VP and an issue administrator, which may be Danish for foreign banks, securities brokers etc. Securities are held on custody accounts operated by account holding institutions. VP's customers are Danish and international banks, brokers, dealers, financial institutions

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in a programme agreement dated 14 May 2010, as amended and/or supplemented and/or restated from time to time (the "**Programme Agreement**"), between the Issuers, the Guarantor, the Permanent Dealers and the Arranger, the Securities will be offered on a continuous basis by the relevant Issuer to the Permanent Dealers. However, each Issuer has reserved the right to sell Securities directly on its own behalf to Dealers that are not Permanent Dealers. The price and amount of Securities to be issued under the Programme will be determined by the relevant Issuer and Dealer(s) at the time of issue in accordance with prevailing market conditions. The Securities may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Securities may also be sold by the relevant Issuer through the Dealers, acting as agents of the relevant Issuer. The Programme Agreement also provides for Securities to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers. If a Tranche of Securities is syndicated, the details of such syndication will be specified in the relevant Final Terms. The application procedures to be followed by the Issuer and the Dealers in relation to an issue of Securities are set out in the procedures memorandum dated 14 May 2010.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Securities subscribed by it. The commissions in respect of an issue of Securities on a syndicated basis will be stated in the relevant Final Terms.

The Programme Agreement entitles the Dealers to terminate any agreement that they make to subscribe Securities in certain circumstances prior to payment for such Securities being made to the relevant Issuer.

Selling Restrictions

General

The Securities and, in relation to Securities issued by JPMSP, the JPMorgan Chase Bank, N.A. Guarantee and, in relation to Securities issued by JPMBD and JPMI, the JPMorgan Chase & Co. Guarantee have not been and will not be registered under the Securities Act, or any state securities laws, and trading in the Securities and, in relation to Securities issued by JPMSP, the JPMorgan Chase Bank, N.A. Guarantee and, in relation to Securities issued by JPMBD and JPMI, the JPMorgan Chase & Co. Guarantee have not been approved by the CFTC under the Commodities Exchange Act. The Securities (other than Rule 144A Securities) are only being offered and sold pursuant to the registration exemptions contained in Regulation S. The Securities (other than Rule 144A Securities) and, in relation to such Securities issued by JPMSP, the JPMorgan Chase Bank, N.A. Guarantee and, in relation to such Securities issued by JPMBD and JPMI, the JPMorgan Chase & Co. Guarantee may not be offered, sold, pledged, assigned, delivered or otherwise transferred or exercised or redeemed within the United States or to, or for the account or benefit of, any U.S. Person; provided that J.P. Morgan Securities Ltd. may from time to time purchase or sell the Securities to its affiliates pursuant to other applicable registration exemptions under the Securities Act.

These selling restrictions may be modified by the agreement of the relevant Issuer and the Dealer(s) (e.g. following a change in a relevant law, regulation or directive). Any such modification will be set out in the Final Terms issued in respect of the issue of Securities to which it relates or in a supplement to this Base Prospectus.

Save for the approval of this document as a Base Prospectus for the purposes of the Prospectus Directive by the Commission de Surveillance du Secteur Financier (the "**CSSF**") and the notification by the CSSF to the competent authorities in Austria, Belgium, the Czech Republic, France, the Republic of Ireland, The Netherlands, the United Kingdom, the Kingdom of Denmark, the Kingdom of Norway, the Kingdom of Sweden, the Republic of Finland, the Republic of Italy, Germany, Hungary, Slovakia and the Kingdom of Spain of such approval, no action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Base Prospectus or any of the documents incorporated by reference therein or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

J.P. Morgan Securities Ltd. and J.P. Morgan (S.E.A.) Limited have agreed and any Dealer who is appointed by the relevant Issuer in connection with an issue of Securities will agree that it will, to the

best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Base Prospectus or any of the documents incorporated by reference therein, any other offering material or any Final Terms and neither JPMS, JPMDB, JPMorgan Chase Bank, N.A., JPMorgan Chase & Co., nor any other Dealer shall have responsibility therefor.

Argentina

The Securities are not and will not be authorised by the Comisión Nacional de Valores (the "CNV") for public offer in Argentina and may thus not be offered or sold to the public at large or to sectors or specific groups thereof by any means, including but not limited to personal offerings, written materials, advertisements, the internet or the media, in circumstances which constitute a public offering of securities under Argentine Law No. 17,811, as amended (the "**Public Offering Law**").

The Public Offering Law does not expressly recognise the concept of private placement. Notwithstanding the foregoing, pursuant to the general rules on public offering and the few existing judicial and administrative precedents, the following private placement rules have been outlined:

- (a) target investors should be qualified or sophisticated investors, capable of understanding the risk of the proposed investment;
- (b) investors should be contacted on an individual, direct and confidential basis, without using any type of mass means of communication;
- (c) the number of contacted investors should be relatively small;
- (d) investors should receive complete and precise information on the proposed investment;
- (e) any material, brochures, documents, etc, regarding the investment should be delivered in a personal and confidential manner, identifying the name of the recipient;
- (f) the documents or information mentioned in (e) above should contain a legend or statement expressly stating that the offer is a private offer not subject to the approval or supervision of the CNV, or any other regulator in Argentina; and
- (g) the aforementioned documents or materials should also contain a statement prohibiting the re-sale or re-placement of the relevant securities within the Argentine territory or their sale through any type of transaction that may constitute a public offering of securities pursuant to Argentine law.

Austria

The following selling restriction shall apply to offers of the Securities in Austria to the extent it contradicts those for the European Economic Area set out below.

Each Dealer represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not and will not offer any Securities to the public in Austria, except that an offer of the Securities may be made to the public in Austria:

- (a) in the case of bearer Securities in the period beginning one bank working day following:
 - (i) the date of publication of the Base Prospectus including any supplements but excluding any Final Terms, in relation to those Securities issued by an Issuer which has been approved by Finanzmarktaufsichtsbehörde in Austria (the "FMA") or, where appropriate, approved in another Member State of the EEA and notified to the FMA, all in accordance with the Prospectus Directive and the pertaining adoption procedures of the EEA bodies;
 - (ii) or being the date of publication of the relevant Final Terms for the Securities issued by an Issuer; and

- (iii) the date of filing of a notification with Oesterreichische Kontrollbank, all as prescribed by the Capital Market Act 1991, as amended ("**CMA**"; Kapitalmarktgesetz 1991); or
- (b) in the case of bearer Securities otherwise in compliance with the CMA.

Each relevant Dealer with regard to each Tranche has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not and will not offer any registered Securities in Austria, either by private placement or to the public in Austria.

For the purposes of this provision, the expression "an offer of the Securities to the public" means the communication to the public 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 for the Securities issued by an Issuer.

If this Base Prospectus and any supplement thereto has not been notified to or, as well as the pertaining Final Terms, has not been published in Austria, then any individual offer of bearer Securities to any person in Austria is made only to qualified investors in accordance with § 3/1/11 and § 1/1/5a CMA or in a private placement where a maximum of 99 investors is individually approached all of whom have individually been pre-selected in line with capital market-related qualitative criteria, in each case provided that a notification pursuant to the CMA was filed with Oesterreichische Kontrollbank one bank business day before the launch of the first offering or placement in Austria.

Whenever the Securities will be resold or sold by the purchaser and whenever investment advice or a recommendation is given, or brokerage services are provided in relation to the Securities, the information contained in the Base Prospectus must not be used for purposes of a public offer or a public solicitation to subscribe for the Securities or an invitation to make an offer for the Securities or any marketing or advertisement which is equivalent to such an offer or solicitation pursuant to the CMA, provided that such public offer is unlawful pursuant to the CMA.

Australia

Each Dealer:

- (a) must not make any offer or invitation in Australia or which is received in Australia in relation to the issue, sale or purchase of any Securities unless the offeree or invitee is required to pay at least A\$500,000 for the Securities or its foreign currency equivalent (in either case disregarding amounts, if any, lent by the Issuer or other person offering the Securities or its associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act 2001 (Cth) of Australia (the "**Corporations Act**"))), or it is otherwise an offer or invitation in respect of which by virtue of s708 of the Corporations Act no disclosure is required to be made under Part 6D.2 of the Corporations Act and provided that in any case the offeree or invitee is not a retail client within the meaning of section 761G of the Corporations Act; and
- (b) has not circulated or issued and must not circulate or issue a disclosure document relating to the Securities in Australia or which is received in Australia which requires lodging under Division 5 of Part 6D.2 or under Part 7 of the Corporations Act.

Bahamas

Securities may not be offered or sold in or from a place of business within The Bahamas or in a manner constituting business in The Bahamas unless by an appropriately licensed broker dealer as permitted pursuant to the Securities Industry Act, 1999 of The Bahamas.

The Securities may not be offered to the public in The Bahamas.

Securities may not be offered or sold to persons or entities deemed resident in The Bahamas pursuant to the Exchange Control Regulations, 1956 of The Bahamas unless the prior approval of the Central Bank of The Bahamas is obtained.

Bahrain, Kingdom of

The Holder of Securities represents and warrants that it has not made and will not make any invitation to the public in the Kingdom of Bahrain to purchase the Securities. Documentation relating to Securities is being furnished to select investors on a confidential basis so that they may consider the opportunity to purchase the Securities. This Base Prospectus, together with any Final Terms and any other legal or marketing material prepared by JPMorgan, may not be distributed, reproduced or copied, as a whole or in part, nor may any of its contents be disclosed without the prior written and express permission from JPMSL. Any Final Terms prepared under this Programme are not, and under no circumstances are to be construed as, a prospectus or advertisement, and the distribution and/or sale of the Securities is not, and under no circumstances is to be construed as, a public offering of the Securities. The Ministry of Industry and Commerce, the Central Bank of Bahrain and the Bahrain Stock Exchange assume no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaim any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this document.

Barbados

JPMI as Issuer may not offer or sell Securities in Barbados. The offer or sale of Securities in Barbados by any other Issuer may only be conducted with respect to a purchaser which qualifies for the Sophisticated Purchase Exemption within the meaning of the Securities Act of Barbados and provided that such person shall be acting as agent or broker for the Issuer, not as principal or investor in its own right.

Belgium

For selling restrictions in respect of Belgium, please see "European Economic Area" below and in addition:

This Base Prospectus has not been submitted for approval to the Belgian Banking, Finance and Insurance Commission. Accordingly, Notes that have a maturity of less than 12 months and qualify as money market instruments (and that therefore fall outside the scope of the Prospectus Directive) may not be distributed in Belgium by way of a public offering, as defined for the purposes of the law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time.

Belize

The Issuer is not registered in Belize and the Securities may not be offered to the general public in Belize. Securities may generally be offered to Belize international business companies without restriction. A "**Belize international business company**" is formed under the International Business Companies Act of Belize and is a company which does not carry on business with Belize residents, except as expressly permitted by law.

Belize international business companies may not themselves engage in the activity of offering or marketing financial and commodity-based derivative instruments or other securities (e.g. futures, options, interest rates, foreign exchange instruments, shares, stock, contracts for differences, etc.) unless duly licensed under the International Financial Services Commission Act of Belize and regulations thereunder.

Bermuda

The Securities may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are authorised to do so under applicable Bermuda legislation. Engaging in the activity of offering or marketing the Securities in Bermuda to persons in Bermuda may be deemed to be carrying on business in Bermuda.

Brazil

The Securities have not been and will not be registered with the "*Comissão de Valores Mobiliários*" - the Brazilian Securities and Exchange Commission ("**CVM**") and accordingly, each Dealer has represented and agreed that it has not and will not sell, promise to sell, offer, solicit, advertise and/or market the Securities within the Federative Republic of Brazil in an offering that can be construed as a public offering or unauthorised distribution of securities under Brazilian law and regulations. Additionally, each Dealer has represented and agreed that it has not and will not violate any of the registration requirements and securities distribution, sales and marketing restrictions under CVM Instruction nº 400, dated 29 December 2003, as amended from time to time, and Federal Law 6.385, dated 7 December 1976, as amended from time to time.

British Virgin Islands ("BVI")

The Securities may not be offered to the public in the British Virgin Islands unless the Issuer or the person offering the Securities on its behalf is licensed to carry on business in the British Virgin Islands. The Issuer is not licensed to carry on business in the British Virgin Islands. The Securities may be offered to British Virgin Islands business companies (from outside the British Virgin Islands) without restriction. A "**British Virgin Islands business company**" is a BVI company formed under or otherwise governed by the BVI Business Companies Act 2004 of the BVI.

Cayman Islands

Each Dealer has represented and agreed with the Issuer that it shall not offer and sell Securities from a place of business within the Cayman Islands (including an offering from an internet or other electronic service provider located in the Cayman Islands) or in a manner constituting the commencement of business in the Cayman Islands unless it is appropriately registered and licensed or otherwise permitted to undertake such an offer or sale under applicable laws (including, without limitation, the Securities Investment Business Law of the Cayman Islands).

A Dealer may therefore offer and sell Securities to investors resident and incorporated in the Cayman Islands without restriction on such Dealer or the Issuer if such Dealer is, according to applicable Cayman Islands law, not located in the Cayman Islands (as a branch, an incorporated entity, a resident or otherwise) and does not have a place of business in and/or has not commenced the carrying on of business in the Cayman Islands.

Chile

The Dealer, the Issuer and the Securities are not registered with the Superintendencia de Valores y Seguros de Chile (Chilean Securities and Insurance Commission) pursuant to Ley No. 18,045 de Mercado de Valores (Securities Market Act), as amended, of the Republic of Chile and, accordingly, each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Securities within Chile or to, or for the account or benefit of persons in Chile except in circumstances which have not resulted and will not result in a public offering and/or in the conduct of intermediation (*funciones de intermediación*) within the meaning of Chilean law.

Colombia

Each Dealer has represented and agreed that the Securities have not and will not be marketed, offered, sold or distributed in Colombia or to Colombian residents except in circumstances which do not constitute a public offer of securities in Colombia within the meaning of article 1.2.1.1 of Resolution 400 issued in 1995 by the Superintendence of Securities as amended from time to time. This material is for the sole and exclusive use of the addressee as a determined individual/entity and cannot be understood as addressed for the use of any third party. Accordingly, the Securities will not be publicly offered, marketed or negotiated in Colombia through promotional or advertisement activities (as defined under Colombian law) except in compliance with the requirements of the Colombian Financial and Securities Market Regulation (Decree 2558 of 2007 issued by the Ministry of Finance and Public Credit, Law 964 of 2005 and Organic Statute of the Financial System) as amended and restated, and decrees and regulations made thereunder. Each Dealer has acknowledged that the Securities listed in the Base Prospectus have not been registered in the National Securities and Issuers Registry (*Registro Nacional de Valores y Emisores*) of the Colombian Financial Superintendence (*Superintendencia*

Financiera de Colombia), and therefore it is not intended for any public offer of the Securities in Colombia.

Investors acknowledge the Colombian laws and regulations (specifically foreign exchange and tax regulations) applicable to any transaction or investment consummated in connection with this Base Prospectus and represent that they are the sole liable party for full compliance with any such laws and regulations.

The investors represent that the investment in the securities is a permitted investment for them under their corporate bylaws and/or particular investment regime that may be applicable.

Costa Rica

The Securities may not be offered or sold, directly or indirectly, to any person within the Republic of Costa Rica, in circumstances that require the issuer or offeror and the Securities to be authorised by the Superintendencia General de Valores. Any offering, express or implicit, that seeks to issue, negotiate or sell securities among public investors, is deemed under Costa Rican law (*Ley Reguladora del Mercado de Valores, N° 7732*, and its Regulations) as a public offering, which requires the issuer or offeror and the securities to be authorised by the Superintendencia General de Valores. A public offering is any invitation or transmission by any means to the public or determined groups of persons exceeding 50 potential investors. A public offering is presumed when made through public or collective means of communication (mass media), such as press, radio, television and internet, or when the offering includes standardised securities.

Accordingly, each Dealer has represented and agreed that (i) such Dealer is appropriately registered with the Superintendencia General de Valores, (ii) it has not offered or sold and will not offer or sell, directly or indirectly, any Securities to the public in Costa Rica and (iii) that sales of the Securities in Costa Rica shall only be placed or negotiated on an individual basis with private investors, limited to a maximum 50 investors. Each Dealer will evidence in writing, for each offering, compliance with the above requirements by means of an affidavit, a party declaration or any form of express acknowledgement. Each Dealer has acknowledged that it is registered as a financial intermediary with the Superintendencia General de Valores, and that this Base Prospectus has not been filed with the Superintendencia General de Valores and, therefore, it is not intended for any public offering of the Securities in Costa Rica within the meaning of Costa Rican law.

Denmark

For selling restrictions in respect of Denmark, please see "European Economic Area" below.

Ecuador

The Securities may not be marketed, offered, advertised, promoted or brokered in Ecuador, because the programme has not been approved by Ecuador's "*Consejo Nacional de Valores*" of the Superintendency of Companies, for which purpose the securities would have to be registered with the National Stock Registry after submitting a large amount of information concerning the issuer and the programme.

However, securities deriving from the Programme may be sold from abroad, provided that a person residing in Ecuador is contacted from abroad and the offer is made and the product is negotiated from abroad either by telephone, e-mail, a Web page, or any other form of communication. Ecuadorian laws apply to offers, promotions and transactions carried out in Ecuador, not to those carried out from abroad, including where the purchaser is a person residing in Ecuador. Ecuador's residents have the right to contact a broker abroad to purchase securities issued and traded abroad. In addition, nothing prevents an overseas issuer or broker from contacting from abroad an Ecuadorian resident to offer securities or investment funds, provide informative material, applications, contracts, etc.

If the securities issued abroad are not registered and publicly offered in Ecuador, they cannot be traded in Ecuador, but they may be traded from abroad if there is no involvement of the issuer or broker in Ecuador.

Furthermore, pursuant to the General Regulations to the Stock Market Law, as concerns brokerage houses, any Ecuadorian national may ask an Ecuadorian brokerage house to act as a broker in the

purchase of an asset (securities) abroad. The local house may contact the overseas house to purchase securities issued abroad and listed in an overseas stock exchange on behalf of the Ecuadorian national.

This implies several things:

- (a) The initiative comes from the Ecuadorian client, not from the local or overseas broker.
- (b) The local broker must act as an intermediary (records of operations).
- (c) The overseas broker must be listed in an overseas stock exchange.
- (d) Securities listed in an overseas stock exchange may be traded in this manner only.

El Salvador

The Securities may not be offered to the general public in El Salvador, and according to Article 2 of the Ley de Mercado de Valores (Securities Market Law) of the Republic of El Salvador, Legislative Decree number 809 dated 16 February 1994, published on the Diario Oficial (Official Gazette) number 73-BIS, Number 323, dated 21 April 1994, and in compliance with the aforementioned regulation, each Dealer has represented and agreed that it will not make an invitation for subscription or purchase of the Securities to indeterminate individuals, nor it will make known this Base Prospectus in the territory of El Salvador through any mass media communication such as television, radio, press, or any similar medium, other than publications of an international nature that are received in El Salvador, such as internet access or foreign cable advertisements, which are not directed to the Salvadoran public. The offering of the Securities has not been registered with an authorised stock exchange in the Republic of El Salvador. Any negotiation for the purchase or sale of Securities in the Republic of El Salvador shall only be negotiated on an individual basis with determinate individuals or entities in strict compliance with the aforementioned Article 2 of the Salvadoran Securities Market Law, and shall in any event be effected in accordance with all securities, tax and exchange control of the Dominican Republic, Central America, and United States Free Trade Agreements, and other applicable laws or regulations of the Republic of El Salvador.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant 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**") it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) if the final terms in relation to the Securities specify that an offer of those 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 such 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) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last (or, in Sweden, last two) financial year, (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last (or, in Sweden, last two) annual or consolidated accounts (and in respect of Denmark,

if such entities are included in the register of qualified investors kept by the Danish FSA or otherwise are registered as qualified investors within the EU or EEA) (and in respect of Norwegian investors, if such investors are registered as professional investors with Oslo Stock Exchange (*Oslo Børs*));

- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer;
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive; or
- (f) in Hungary at any time to any other entity which falls within the definition of a "qualified investor" as that term is defined in point 92 of Article 5 of the (Hungarian) Act on Capital Markets,

provided that no such offer of Securities referred to in (b) to (e) (inclusive) above shall require the Issuer or any Dealer 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 Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Finland

The Securities are offered in Finland only to qualified investors and less than 100 other investors and otherwise in circumstances which do not require the publication of a prospectus under the Finnish Securities Markets Act (495/1989). This Base Prospectus has neither been approved by nor notified to the Finnish Financial Supervision Authority.

France

Each of the Dealers and the relevant Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only made and will only make an offer of Securities to the public (*offre au public*) in France or an admission of Securities to trading on a regulated market in France in the period beginning (i) when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the Prospectus Directive, on the date of notification of such approval to the *Autorité des marchés financiers*, and ending at the latest on the date which is 12 months after the date of approval of the prospectus, all in accordance with articles L.412-1 and L.621-8 to L.621-8-3 of the French *Code monétaire et financier* and the *Règlement général* of the *Autorité des marchés financiers* and (ii) when the formalities required by French laws and regulations have been carried out; or
- (b) it has only made and it will only make an offer of Securities to the public in France or an admission of Securities to trading on a regulated market in France in circumstances which do not require the publication by the offeror of a prospectus pursuant to the French *Code monétaire et financier* and the *Règlement général* of the *Autorité des marchés financiers*; and
- (c) otherwise, it has not offered or sold and will not offer or sell, directly or indirectly, Securities to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Securities, and that such offers, sales and distributions have been and will be made in France only to (a) providers of the investment services of portfolio management for the account of third parties and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account (other than individuals), all as defined in,

and in accordance with, articles L.411-2 and D.411-1 to D.411-3, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*. The direct or indirect resale of Securities to the public in France may be made only as provided by, and in accordance with, articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French *Code monétaire et financier*.

In addition, each of the Dealers and the relevant Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, this Base Prospectus or any other offering material relating to the Securities other than to investors to whom offers and sales of Securities in the Republic of France may be made as described above.

Germany

For selling restrictions in respect of Germany, please see "European Economic Area" above.

Guatemala

The Securities may not be offered to the general public in Guatemala, in circumstances that require the issuer or offeror and the Securities to be authorised by the Securities Exchange Market Registry, and according to article 4 of the Ley del Mercado de Valores y Mercancías ("**Securities Exchange Market Law**"), Congress Decree 34-96 (as recently amended by Decree 49-2008), and in compliance with such regulation, each Dealer has represented and agreed that it will not make an invitation for subscription or purchase of the Securities to indeterminate individuals, nor will it make known this Base Prospectus in the territory of Guatemala through the Securities Exchange Market or any other means of mass communication or dissemination. Each Dealer has acknowledged that the Securities have not been registered in the Securities Exchange Market Registry, and, therefore, it is not intended for any public offer of the Securities in Guatemala. Any negotiation for the purchase or sale of Securities in Guatemala shall only be negotiated on an individual basis with determinate individuals or entities, in compliance with article 3 of the Ley del Mercado de Valores y Mercancías ("**Securities Exchange Market Law**"), Congress Decree 34-96 (as recently amended by Decree 49-2008). Therefore, each Dealer has agreed that any negotiation for the purchase or sale of Securities in Guatemala will only be directed to:

- (a) investors who are already partners or shareholders of the issuer of the securities, if the shares or interests issued are not registered in a public offering; or
- (b) investors who are persons or entities considered as institutional investors, such as entities supervised and controlled by the Superintendencia de Bancos de Guatemala ("**Bank Superintendence of Guatemala**"), Instituto Guatemalteco de Seguridad Social ("**Social Security Institute**"), public or private social security entities, collective investment mechanisms, if the offering is made without the intervention of a third party and without using mass market communications media; or
- (c) less than 35 specific individuals and/or companies when the offering refers to securities that represent a creditor's right; or
- (d) less than 35 specific individuals and/or companies, when the offering refers to securities that represent the partnership capital, when the Investors are not shareholders of the company.

Additionally, each Dealer has agreed that it will not engage into financial intermediation operations within Guatemalan territory as defined by article 3 of the Ley de Bancos y Grupos Financieros ("**Banking and Financial Group Law**"), Congress Decree 19-2002.

Hungary

For selling restrictions in respect of Hungary, please see "European Economic Area" above.

Hong Kong

Each Dealer acknowledges and agrees that the Securities have not been authorised by the Hong Kong Securities and Futures Commission. Each Dealer has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities other than (a) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent), (b) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong and any rules made under that Ordinance or (c) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of the laws of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong and any rules made under that Ordinance.

India

The Dealers have represented and agreed that this Base Prospectus has not been and will not be registered as a prospectus with the Registrar of Companies in India and that they have not offered nor sold and will not offer nor sell nor transfer any Securities, nor have they circulated or distributed nor will they circulate nor distribute the Base Prospectus or any other offering document or material relating to the Securities, directly or indirectly, to (a) any person in India or (b) any "person resident in India", as defined under the Foreign Exchange Management Act 1999 (as may be amended or supplemented from time to time, hereinafter referred to as the "**FEMA**") or (b) any Non Resident Indian or (c) a person whose "controller" is an Indian Resident or Non Resident Indian or (d) any Unregulated Entity at any time.

The Dealers have further represented that they will not record any transfer of ownership of the Securities, directly or indirectly, to (a) any person "resident in India" as defined under the FEMA or (b) any "person resident in India", as defined under the FEMA or (b) any Non Resident Indian or (c) a person whose "controller" is an Indian Resident or Non Resident Indian or (d) any Unregulated Entity at any time.

Indonesia

The Securities offered under this Base Prospectus are not and will not be registered with the Capital Market and Financial Institution Supervisory Agency (the "**Bapepam-LK**") and the Commodity Futures Trading Supervisory Agency ("**Bappebti**") in Indonesia. As such, these securities (including the distribution and dissemination of this Base Prospectus, other written materials either through advertisements or other media) are not authorised by the Bapepam-LK for their sale by public offering in the Indonesian territory and/or to Indonesian citizens wherever they are domiciled or to Indonesian entities or residents in the Indonesian territory in circumstances which constitute a public offering of securities under the Indonesian Law No. 8/1995 regarding Capital Markets. Likewise, the Securities and the Base Prospectus have not been reviewed, registered or authorised by the Central Bank (Bank Indonesia) for their distribution through banking institutions in Indonesia and the Securities distributed for sale under the Base Prospectus are not guaranteed by the Indonesian Deposit Insurance Corporation.

The Securities offered under this Base Prospectus are complex financial instruments and may not be suitable for certain investors. Investors intending to purchase the Securities should consult with their tax and financial advisors to ensure that the intended purchase meets the investment objective before making such purchase.

Ireland

Each Dealer has represented, warranted and agreed that (and each further Dealer appointed under the Programme will be required to represent, warrant and agree that) it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the Securities, or do anything in Ireland in respect of the Securities, otherwise than in conformity with the provisions of:

- (a) the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued by the Financial Regulator under section 51 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland (as amended) (the "**2005 Act**");
- (b) the Irish Companies Acts 1963 to 2009;
- (c) the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) of Ireland and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Financial Regulator; and
- (d) the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued by the Financial Regulator under section 34 of 2005 Act.

Israel

No action has been or will be taken in Israel that would permit an offering of the Securities or a distribution of this Base Prospectus (and any Final Terms or securities note) to the public in Israel. In particular, none of the Base Prospectus, any Final Terms or securities note has been or will be reviewed or approved by the Israeli Securities Authority. Accordingly, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Securities directly or indirectly, in Israel or to others for re-offering or re-sale, directly or indirectly, in Israel except to investors of the type listed in the First Schedule to Israel's Securities Law 5728-1968. This Base Prospectus (and any Final Terms and securities notes) may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Any offeree who purchases the Security is purchasing such Security according to his own understanding, for its own benefit and on his own account and not with the aim or intention of distributing or offering such Security to other parties. Any offeree who purchases the Security has such knowledge, expertise and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the Security. Nothing in this Base Prospectus (and any Final Terms and securities note) should be considered investment advice as defined in the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 5755 - 1995.

Italy

Unless the relevant Final Terms specify that a "Non-exempt Offer" may be made in Italy, the offering of the Securities has not been registered pursuant to Italian securities legislation, and, accordingly, no Securities may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Securities be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and defined in Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**"); or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Regulation No. 11971.

Any offer, sale or delivery of the Securities or distribution of copies of this Base Prospectus or any other document relating to the Securities in the Republic of Italy under (i) or (ii) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time)

and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and

- (ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies under (a) and (b) above, the subsequent distribution of the Securities issued with a denomination per unit of less than EUR 50,000 (or the equivalent in other currencies at the date of issue) on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Securities being declared null and void and in the liability of the intermediary transferring the financial Securities for any damages suffered by the investors.

Jamaica

Each of the Dealers and the relevant Issuer has represented and warranted that the offer of the Securities in Jamaica has been registered by the applicable Issuer(s) as an "exempt distribution" under the Guidelines for Exempt Distributions (SR-GUID-08/05-0016) published by the Financial Services Commission of Jamaica (the "**Guidelines**") and it is not nor shall it be deemed to a public offering of securities under the laws of Jamaica.

Distribution of the Securities in Jamaica shall be restricted to Holders who qualify under the Guidelines and further resale or trading in the Securities in Jamaica is restricted to persons who fall within any exemption under the Guidelines. Solicitation of persons in Jamaica to participate in any offer of Securities shall be construed as dealing in securities for which a licence is required under the Securities Act of Jamaica.

The Financial Services Commission of Jamaica has not approved the offer of Securities nor has it passed judgment on the accuracy or adequacy of this Base Prospectus and is therefore not liable for any statements or omissions contained herein.

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "**Financial Instruments and Exchange Law**"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Law and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Korea (Republic of)

The Securities have not been registered with the Financial Services Commission of Korea for public offering in Korea. None of the Securities may be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Financial Investment Services and Capital Markets Act and the decrees and regulations thereunder (the "**Securities and Exchange Laws**") and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**Foreign Exchange Transaction Laws**"). Without prejudice to the foregoing, the number of Securities offered in Korea or to a resident in Korea shall be less than 50 and for a period of one year from the issue date of the Securities, none of the Securities may be divided resulting in an increased number of Securities. Furthermore, the purchaser of the Securities

shall comply with all applicable regulatory requirements (including but not limited to requirements under the Foreign Exchange Transaction Laws) in connection with the purchase of the Securities.

Each Dealer has represented and agreed that it has not offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, any Securities in Korea or to any resident of Korea and will not offer, sell or deliver directly or indirectly or offer or sell to any person for re-offering or resale, directly or indirectly, any Securities in Korea or to any resident of Korea, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Laws, Foreign Exchange Transaction Laws and other relevant laws and regulations of Korea.

Kuwait

Each Dealer has represented and agreed that it has not offered or sold and will not offer or sell any Securities or distribute any documents, offer any materials, or issue any invitation or advertisement in the State of Kuwait relating thereto, save in strict compliance with the provisions of Law No. 31/1990 and the various Ministerial Orders and Resolutions issued thereunder.

Lebanon

Each Dealer has represented and agreed with the relevant Issuer that, in connection with any marketing, offer, sale, distribution, resale or buy-back of any of the Securities in Lebanon, it shall comply with all applicable laws and regulations in Lebanon, and in particular Law N°234 dated 10 June 2000 and Central Bank of Lebanon Basic Decisions N° 6213 dated 28 June 1996, as amended, and N° 7493 dated 24 December 1999, as amended.

Malaysia

The Securities may not be offered or sold in Malaysia unless such offer, sale or invitation falls within (i) Schedule 5 to the Capital Markets and Services Act 2007 ("CMSA"), (ii) Schedule 6 or 7 to the CMSA as an "excluded offer" or "excluded invitation" or "excluded issue" within the meaning of sections 229 and 230 of the CMSA and, where such Securities are debentures (as defined in the CMSA), (iii) Schedule 8 such that the trust deed requirements in the CMSA are not applicable. Each Dealer has represented and undertaken to the relevant Issuer that it has not offered or sold and will not offer or sell any of the Securities directly or indirectly, in Malaysia unless such offer, sale or invitation falls within (i) Schedule 5 to the CMSA, (ii) Schedule 6 or 7 to the CMSA as an "excluded offer" or "excluded invitation" or "excluded issue" within the meaning of sections 229 and 230 of the CMSA and where such Securities are debentures (as defined in the CMSA) (iii), Schedule 8 such that the trust deed requirements in the CMSA are not applicable. No proposal has been submitted to the Securities Commission for its approval under the CMSA in respect of Securities, and no prospectus, trust deed or deed which complies with the requirements of the CMSA and the guidelines of the Securities Commission has been or will be registered with the Securities Commission under the CMSA.

In addition to the above, the Securities may not be offered or sold in or from within the Federal Territory of Labuan without the prior written approval of the Labuan Financial Services Authority ("LFSA") unless such offer, sale or invitation falls within section 8(5) of the Labuan Financial Services and Securities Act 2010 ("LFSSA"). Each Dealer has represented and undertaken to the relevant Issuer that it has not offered or sold and will not offer or sell any of the Securities directly or indirectly, in or from within the Federal Territory of Labuan except in compliance with the LFSSA. No proposal has been submitted to LFSA for its approval under the LFSSA in respect of Securities, and no prospectus which complies with the requirements of the LFSSA has been or will be registered with the LFSA under the LFSSA.

Mexico

Pursuant to the Mexican Securities Market Law, the Securities have not been, and will not be, registered with the Mexican National Securities Registry (*Registro Nacional de Valores*) maintained by the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*) and may not be offered or sold publicly in the United Mexican States.

Pursuant to Article 8 of the Mexican Securities Market Law, the Securities may be offered or sold, on a private placement basis, as an exempt offering not requiring any approval, to Mexican qualified and institutional investors (*inversionistas institucionales o calificados*).

The Netherlands

For selling restrictions in respect of The Netherlands, see "European Economic Area" above and in addition:

Each Dealer under the Programme that did and does not have the requisite Dutch regulatory capacity to make offers or sales of financial instruments in The Netherlands has represented and agreed with the Issuers that it has not offered or sold and will not offer or sell any of the Securities of the relevant Issuer in The Netherlands, other than through one or more investment firms acting as principals and having the Dutch regulatory capacity to make such offers or sales.

Zero Coupon Securities (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the relevant Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Security in global form, or (b) in respect of the initial issue of Zero Coupon Securities in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Securities in definitive form between individuals not acting in the conduct of a business or profession or (d) in respect of the transfer and acceptance of such Zero Coupon Securities within, from or into The Netherlands if all Zero Coupon Securities (either in definitive form or as rights representing an interest in a Zero Coupon Security in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter. As used herein "**Zero Coupon Securities**" are Zero Coupon Notes and/or other Securities that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Nicaragua

None of the Dealers, the Issuers or the Securities are or will be registered with the *Superintendencia de Bancos y de Otras Instituciones Financieras* – SIBOIF (Superintendence of Banks and Other Financial Institutions) and, therefore, each Dealer has represented and agreed that Securities will not be offered, placed or traded in by any means to the public or determined groups in a way that constitutes a public offer in accordance with Law No. 587 "*Ley de Mercado de Capitales*" (Stock Market Law) and Resolution No. CD-SIBOIF-556-2-OCT15-2008 "*Norma sobre Publicidad en el Mercado de Valores*" (Rule on Securities Market Publicity), including the use of mass media as well as any other public offering means. Consequently, each Dealer has agreed that Securities may only be offered in Nicaragua in accordance with the provisions for private offerings in Law No. 587 and related regulations.

Additionally, each Dealer has represented and agreed that this Base Prospectus has not and will not be registered before the SIBOIF, and therefore, this Base Prospectus is not intended and will not be used for any public offer of Securities in Nicaragua.

Norway

For selling restrictions in respect of Norway, please see "European Economic Area" above.

Panama, Republic of

The Programme has not been notified to, and this Base Prospectus has not been approved by, the National Securities Commission ("NSC") of the Republic of Panama for its offering in Panama. Consequently, the Programme may not be advertised, the Securities may not be offered or sold and this Base Prospectus, and any other information related thereto, may not be distributed, directly or indirectly, to any person in the Republic of Panama other than institutional investors or private placement investors as are defined by the Securities Laws of the Republic of Panama, or through a corresponding brokerage firm licensed by the NSC to offer and sell securities in Panama.

The People's Republic of China

The Securities may not be offered or sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly (i) by means of any advertisement, invitation, document or activity which is directed at, or the contents of which are likely to be accessed or read by, the public in the People's Republic of China, excluding Hong Kong, Macau and Taiwan ("PRC") or (ii) to any person within the PRC other than in full compliance with the relevant laws and regulations of the PRC, including but not limited to the PRC Securities Law, the Company Law and/or The Provisional Administrative Measures on Derivatives Business of Financial Institutions (as amended from time to time). Neither this Base Prospectus nor any material or information contained or incorporated by reference herein relating to the Programme, which have not been and will not be submitted to or approved/verified by or registered with the China Securities Regulatory Commission or other relevant governmental authorities in the PRC, may be supplied to the public in the PRC or used in connection with any offer for the subscription, purchase or sale of the Securities other than in compliance with the aforesaid in the PRC. PRC investors are responsible for: obtaining all relevant government regulatory approvals/licences, verification and/or registrations themselves, including, but not limited to, those which may be required by the China Securities Regulatory Commission, the State Administration of Foreign Exchange and/or the China Banking Regulatory Commission, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or securities investment regulations.

Peru

Each Dealer has represented and agreed that the Securities have not and will not be placed, offered, sold, disposed of or distributed in Peru, except in circumstances which do not constitute a public offer of securities in Peru within the meaning of Peruvian securities laws and regulations. Accordingly, the Securities will not be the subject of a duly diffused invitation for subscription, acquisition or purchase of the Securities in Peru, pursuant to the Peruvian Securities Market Law, Supreme Decree No. 093-2002-EF, as amended and restated.

The Securities may only be offered in Peru, under private offerings, complying with the Securities Market Law and the regulations that govern the investment policy of institutional investors such as, but not restricted to, banking and other financial entities, insurance entities, private pension fund managers, open ended and close ended collective investment schemes.

Each Dealer has acknowledged that this Base Prospectus has not been subject to review by the Peruvian Securities Market Commission (*Comisión Nacional Supervisora de Empresas y Valores – "CONASEV"*) and has not been registered with the Peruvian Securities Market Public Registry, therefore it is not intended for any public offer of the Securities in Peru. If the Securities were to be offered under private offerings in Peru, regulations do not impose reporting obligations with CONASEV, to any of the Issuer or the Dealers, notwithstanding, when offering the Securities to investors subject to the supervision of the Peruvian Financial Services Authority (*Superintendencia de Banca y Seguros y Administradoras Privadas de Fondos de Pensiones*), certain disclosure requirements should be met in order to be in good standing with the regulations issued by such authority.

The Philippines

The Securities being offered or sold have not been registered with the Securities and Exchange Commission of the Philippines under the Securities Regulation Code of the Philippines. Any offer or sale thereof is subject to registration requirements under the Securities Regulation Code unless such offer or sale qualifies as an exempt transaction.

Poland

The Securities are offered in Poland only within the existing "safe harbour" private offering exemptions which dispense with the otherwise applicable local disclosure requirements. In particular, the Securities will be offered in Poland only (i) to qualified investors (as defined in Article 8.1 of the Polish 29 July 2005 Public Offer Act); (ii) to investors, each of which is subscribing for Securities with a total value, calculated on the basis of the issue price or the selling price, equal to at least EUR 50,000; and (iii) to fewer than 100 other identified investors. Polish securities regulations provide for certain other private offering exemptions based on the value of the local offering, which may or may not be available in

connection with the Programme. Consequently, this Base Prospectus has neither been approved by nor notified to the Polish Financial Supervision Authority.

Each Dealer under the Programme that does not have the requisite Polish regulatory capacity to make offers or sales of financial instruments in the territory of Poland, has represented and agreed with the Issuers that it has not offered or sold and will not offer or sell any of the Securities of the relevant Issuer in Poland. Such offers in Poland shall be made only through one or more investment firms having the regulatory capacity to make such offers or sales in Poland.

Saudi Arabia, Kingdom of

This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Saudi Arabian Capital Market Authority. The Saudi Arabian Capital Market Authority does not make any representation as to the accuracy or completeness of this Base Prospectus and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this Base Prospectus, you should consult an authorised financial adviser.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1) or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA.

Spain

The Securities contemplated in this Base Prospectus may not be offered or sold in Spain unless in compliance with the provisions of Law 24/1988 of 28 July of the Securities Markets (*Ley 24/1988 de 28 de julio, del Mercado de Valores*) (as amended by, *inter alia*, Royal Decree Law 5/2005 of 11

March) ("**Law 24/1988**"), Royal Decree 1310/2005 of 4 November and related development regulations.

Until this Base Prospectus (and any other offering circular or prospectus relating to the Securities) is duly registered or filed with the *Comisión Nacional del Mercado de Valores* (or otherwise "passport" into Spain pursuant to the provisions of the Prospectus Directive) in accordance with the aforementioned laws and regulations, it shall not constitute a prospectus (*folleto informativo*) for the public offering of securities (as such term is defined in article 30.bis 1 of Law 24/1988) in Spain. Therefore, to the extent that the Securities are offered or sold to investors in Spain through other than a public offering of securities, investors in those Securities may not sell or offer those Securities in Spain other than in compliance with the requirements set out by article 30.bis 1 of Law 24/1988 and article 38 of Royal Decree 1310/2005 of 4 November, so that any subsequent sale or offering of those Securities in Spain is not classified as a public offering of securities in Spain or otherwise in breach of the requirements set out by the said Article 30, bis 1 of Law 24/1988.

Sri Lanka

The Securities or an interest therein may not at any time be made the subject of an invitation or offer to the public or any section of the public in the Republic of Sri Lanka and any document or material relating to the Securities may not be circulated or distributed to the public or any section of the public in the Republic of Sri Lanka. Investors intending to purchase or otherwise acquire the Securities or any interest in the Securities must consult with their legal, tax and financial advisers and obtain all necessary approvals before subscribing for or purchasing or acquiring any of the Securities.

Sweden

For selling restrictions in respect of Sweden, please see "European Economic Area" above.

Switzerland

If explicitly stated so in the relevant Final Terms, the Securities may not be publicly offered in or from Switzerland, as such term is defined or interpreted under the Swiss Federal Code of Obligations or the Swiss Federal Act on Collective Investment Schemes, and neither the Programme nor any documents related to the Securities shall constitute a prospectus in the sense of article 652a or 1156 of the Swiss Federal Code of Obligations, or constitute a simplified prospectus in the sense of article 5 of the Swiss Collective Investment Schemes Act. The Securities do not constitute a participation in a collective investment scheme in the meaning of the Swiss Federal Act on Collective Investment Schemes and they are neither subject to approval nor supervision by the Swiss Financial Market Supervisory Authority (FINMA).

If the relevant Final Terms specify that the Securities may not be publicly offered in or from Switzerland, such Securities may only be offered or sold in or from Switzerland to qualified investors within the meaning of, and in accordance with, the Swiss Collective Investment Schemes Act. Pursuant to the guidelines issued by the Swiss Financial Market Supervisory Authority (FINMA) as of the date of this Base Prospectus, qualified investors within the meaning of the Swiss Collective Investment Schemes Act (in its version of 1 January 2009) and the Swiss Collective Investment Schemes Ordinance (in its version of 1 March 2009) are:

- (i) regulated financial intermediaries such as banks, brokers dealers or fund administrations;
- (ii) regulated insurance companies;
- (iii) public entities and pension funds with a professional treasury (professional treasury is assumed if there is at least one qualified employee with experience in the financial sector who is responsible for the management of the investments);
- (iv) corporations organised under private law having a professional treasury;
- (v) high net worth individuals, provided they confirm in writing to a regulated financial intermediary or qualifying independent asset manager that they directly or indirectly possess at least CHF 2 million in bankable assets;

- (vi) investors who have concluded a written discretionary asset management contract with a regulated financial intermediary; and
- (vii) independent asset managers and investors who have concluded a written asset management contract with such an independent asset manager, provided that
 - (x) the asset manager is deemed a financial intermediary within the meaning of the Swiss Anti-Money Laundering Act;
 - (y) the asset manager is subject to accepted conduct of business rules of an organisation in the financial sector (for practical purposes, this is mainly the Association of Swiss Asset Managers); and
 - (z) the discretionary asset management contract is in accordance with the accepted guidelines of such organisation.

Taiwan

No person or entity in Taiwan is authorised to distribute or otherwise intermediate the offering of the Securities or the provision of information relating to the Programme, including, but not limited to, this Base Prospectus. The Securities may be made available for purchase from outside Taiwan by investors residing in Taiwan, but may not be offered or sold in Taiwan. Any subscriptions of Securities shall only become effective upon acceptance by the Issuer or the relevant Dealer outside Taiwan and, unless otherwise specified in the subscription documents relating to the securities signed by the investors, shall be deemed a contract entered into in the jurisdiction of incorporation of the Issuer or relevant Dealer, as the case may be.

Thailand

The Issuer has not been approved under the Securities and Exchange Act B.E. 2535 (1992) as amended (the "SEA"). Accordingly, the Securities may not be offered or sold, directly or indirectly, to any person within Thailand unless the Issuer (i) obtains approval from the Office of the Securities and Exchange Commission to offer the Securities to commercial banks in Thailand in accordance with the notification of the Securities and Exchange Commission no. GorJor. 2/2549 dated 24 January 2006 as amended and/or (ii) obtains approval from the Ministry of Finance and the Office of the Securities and Exchange Commission to offer the Securities to persons in Thailand in accordance with the notification of the Ministry of Finance Re: Permission to Issue Baht Denominated Bonds or Debentures in Thailand and the Capital Market Supervisory Board no. TorJor. 14/2552 dated 13 March 2009 as amended. The Final Terms may be subject to the filing requirements under the SEA and the relevant regulations depending on the amount of the offer and/or the type of the investors.

Trinidad and Tobago (Republic of)

In this section the terms 'block distribution circular', 'Commission', 'dealer', 'offer to the public', 'distribution', 'distribute', 'offer to sell', 'reporting issuer', 'prospectus', 'sale' and 'sophisticated purchaser' shall bear the same meanings as are assigned to them in the Securities Industry Act, Chap 83:02 of the Laws of the Republic of Trinidad and Tobago (hereinafter referred to as the "**Securities Industry Act**").

The Securities inclusive of the Notes and the Issuers have not been registered under the Securities Industry Act. None of the Issuers is a reporting issuer under the Securities Industry Act. The Securities shall not be offered, sold or distributed in the Republic of Trinidad and Tobago unless any offer to sell, sale, invitation or distribution is in accordance with the provisions of the Securities Industry Act.

The Securities shall only be offered and sold to sophisticated purchasers not exceeding thirty four (34) persons in the aggregate at any time and only those sophisticated purchasers shall be permitted to purchase the Securities. Only persons to whom an offer to sell or invitation to purchase such Securities is made directly by the relevant Issuer or any person approved by the relevant Issuer shall be entitled to purchase same. No offer to sell, sale, dealing, assignment, distribution or transfer of the Securities shall be valid if such offer to sell, sale, distribution, assignment, dealing or transfer of the Securities shall constitute or amount to an offer to the public as provided and defined under the Securities Industry Act.

Pursuant to Section 75(2) of the Securities Industry Act, the Issuers are exempt from filing a prospectus or a block distribution circular with the Trinidad and Tobago Securities and Exchange Commission (hereinafter referred to as the "**Commission**"). The Commission will be duly notified in accordance with the provisions of Section 75(2) of the Securities Industry Act of the distribution of the Securities. The distribution of the Securities shall not be accompanied by an advertisement other than an announcement of its completion as prescribed by the Commission and no selling or promotional expenses shall be paid or incurred in connection with the distribution of the Securities except for professional services or services performed by the Issuers.

Unless a proposed sale, transfer, assignment or distribution of Securities by any holder of any of the Securities is exempt from registration under the Securities Industry Act, no holder may directly or indirectly sell, distribute, transfer, assign, promote, advertise or negotiate the sale of or offer to sell any Securities.

No investor may sell, distribute or offer to sell its Securities if such sale, distribution or offer to sell (including but without limitation to the advertising, promoting and negotiating the terms of any sale, distribution or offer to sell) shall result in the purchaser of the Securities not being a sophisticated purchaser. Any sale or distribution of or offer to sell any Securities shall be null and void if such sale, distribution and offer to sell shall constitute an offer to public.

Each Dealer has represented and agreed that it has not and will not directly or indirectly sell or re-sell, promise to sell or re-sell, promote, negotiate, offer to sell, solicit, advertise and/or market the Securities within the Republic of Trinidad and Tobago in any dealing, transaction, offer to sell, sale, transfer, assignment or distribution that can be construed as an offer to the public under the Securities Industry Act. Additionally, each dealer has represented and warranted that it is registered under the Securities Industry Act as a Dealer and will be so registered when effecting any sale, promotion, advertisement, negotiation, offer to sell, dealing, distribution, transfer or assignment of all or any of the Securities.

Turkey, Republic of

Pursuant to Article 15(d)(ii) of the Decree No. 32 Regarding the Protection of the Value of Turkish Currency, Turkish residents may freely (i) purchase and sell securities, money market instruments, and other capital market instruments which are traded at the financial markets outside the Republic of Turkey ("**Turkey**"), with the intermediation of banks, and brokerage entities operating in Turkey; and (ii) transfer the amount of the purchase price of the securities, money market instruments, and any other capital market instruments, abroad through banks in Turkey. However, the provisions of Capital Market Law (Law No. 2499) and the Communiqué Serial No. III/20 provide that no offer, by any means, of any Security outside Turkey to Turkish residents can be made without pre-registration of such Securities with the Capital Market Board (the "**CMB**").

The Securities are not registered with the CMB under the provisions of the Capital Market Law (Law No. 2499) and the Communiqué Serial III. No 20 issued thereunder by the CMB. Accordingly, the Securities cannot be marketed, offered, solicited and consequently sold to Turkish residents without pre-registering the Securities with the CMB.

No information in this Base Prospectus, any Final Terms, any securities note or any document thereunder is provided for the purpose of offering, marketing and sale by any means of Securities in Turkey. Therefore, this Base Prospectus, any Final Terms, any securities note or any document thereunder may not be considered as an offer made or to be made to residents of Turkey.

Therefore, it is agreed and understood by the Holder that it cannot offer and/or market the Securities in Turkey without registering them with the CMB. However, pursuant to Article 15(d) (ii) of the Decree No. 32 residents of Turkey may freely approach (the first approach must always come from the Turkish resident for the sale and purchase of the Securities) the Holder to purchase the Securities and may freely purchase and sell the Securities outside Turkey with the intermediation of banks, and brokerage entities operating in Turkey (authorised pursuant to the CMB regulations) provided that no offer, solicitation or marketing is made by the Holder to such Turkish resident for the purpose of sale and purchase of the Securities.

United Arab Emirates

United Arab Emirates (excluding the Dubai International Finance Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to acknowledge and agree that:

- (a) the Securities to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities;
- (b) the information contained in this Base Prospectus does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law 8 of 1984 (as amended)) or otherwise and is not intended to be a public offer and the information contained in this Base Prospectus is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the United Arab Emirates; and
- (c) the Securities to be issued under the Programme and this Base Prospectus have not been and will not be filed, reviewed or approved by the United Arab Emirates Central Bank, the Emirates Securities and Commodities Authority, or any other governmental regulatory body or securities exchange.

Dubai International Financial Centre

The Securities may not, are not and will not be offered into or from the Dubai International Financial Centre and may not be distributed, sold, transferred or delivered, directly or indirectly, to any person in the Dubai International Financial Centre.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that:

- (a) in relation to any Securities (other than Securities issued by JPMBD or JPMorgan Chase Bank, N.A.) having a maturity of less than one year from their date of issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of section 19 (*the general prohibition*) of the Financial Services and Markets Act 2000 (*the "FSMA"*) by JPMS, JPMI or JPMorgan Chase & Co.;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 (*financial promotion*) of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which section 21(1) of the FSMA does not apply to JPMS, JPMI or JPMorgan Chase & Co., and would not, if it was not an authorised person, apply to JPMorgan Chase Bank, N.A. (as Issuer or as Guarantor in respect of Securities issued by JPMS or JPMBD (as Issuer)); and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

United States

The Securities and any Guarantee thereof have not been and will not be registered under the Securities Act, or any state securities laws, and trading in the Securities and any Guarantee thereof has not been

approved by the SEC, any state securities commission, the CFTC under the U.S. Commodities Exchange Act, as amended, any U.S. federal or state banking authority or any other U.S. or foreign regulatory authority, and neither JPMSB nor JPMBD has registered, and neither intends to register, as an investment company under the Investment Company Act. In addition, Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes), Finnish Notes and Swedish Notes, and other Securities in bearer form for U.S. tax purposes are subject to certain U.S. tax law requirements. Accordingly, the Securities (other than Rule 144A Securities) may not be offered, sold, pledged, assigned, delivered, redeemed or otherwise transferred or exercised at any time within the United States or its possessions or to or for the account or benefit of any U.S. Person. In this Base Prospectus, the term "U.S. Person" has the meaning ascribed to it in either Regulation S or the Code. The Securities and any Guarantee thereof are being offered and sold outside of the United States in reliance on the registration exemption contained in Regulation S. Accordingly, the Dealers have represented and agreed in the Programme Agreement, and any other Dealer who is appointed by the relevant Issuer in connection with an issue of a Series of Securities which are not Rule 144A Securities, will represent and agree, that it, its affiliates, and any person acting on its or their behalf has not offered or sold and will not offer or sell such Securities at any time, directly or indirectly within the United States of America or its possessions or to, or for the account or benefit of, any U.S. Person. The Dealers further have represented and agreed in the Programme Agreement, and any other Dealer who is appointed by the relevant Issuer in connection with an issue of a Series of Securities which are not Rule 144A Securities will represent and agree that it, its affiliates, and any person acting on its or their behalf will not offer or sell such Securities at any time except in accordance with Rule 903 of Regulation S under the Securities Act, and that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to such Securities, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. The terms used in this paragraph (other than the definition of "U.S. Person" which has the meaning ascribed to it in either Regulation S or the Code) have the meanings given to them by Regulation S.

The Dealers have also agreed in the Programme Agreement, and any other Dealer who is appointed by the relevant Issuer in connection with an issue of a Series of Securities will agree, that, at or prior to confirmation of a sale of such Securities, it, its affiliates, and any person acting on its or their behalf will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases such Securities from it (whether upon original issuance or in any secondary transaction) a written confirmation or notice stating that the purchaser is subject to the same restrictions on offers and sales and setting forth the restrictions on offers and sales of such Securities within the United States or its possessions or to, or for the account or benefit of, any U.S. Person.

The Securities (other than Rule 144A Securities) may not be legally or beneficially owned by any U.S. Person at any time. Each holder and each legal and beneficial owner of a Security (other than Rule 144A Securities), as a condition to purchasing such Security or any legal or beneficial interest therein, will be deemed to represent on purchase that neither it nor any person for whose account or benefit the Securities are being purchased (i) is located in the United States, (ii) is a U.S. Person or (iii) was solicited to purchase the Securities while present in the United States. Each holder and each legal and beneficial owner of such Security hereby will be deemed on purchase to agree not to offer, sell, deliver, pledge or otherwise transfer any of such Securities or any interest therein at any time, directly or indirectly, in the United States or to any U.S. Person and, with respect to Warrants, not to engage in hedging transactions with regard to the Warrants unless in compliance with the Securities Act.

Furthermore, each holder and beneficial owner will be deemed on purchase to agree that (1) the Securities (other than Rule 144A Securities) offered in reliance on Regulation S will be represented by Global Securities and accordingly, prior to the expiration of the distribution compliance period, before any interest in a Global Security may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Global Security, it will be required to provide the Registrar or any Paying and Transfer Agent with a written certification that it is a non-U.S. Person (in the form provided in the Agency Agreement) and (2) the relevant Issuer, the Guarantor (in relation to Securities issued by JPMSB, JPMBD and JPML), the Relevant Programme Agent, the Registrar, the Arranger, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Securities that are exchangeable into definitive securities in bearer form (including Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes), and Finnish Notes and Swedish Notes) are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United

States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations.

In the case of any Bearer Security (other than Bearer Securities Registered for U.S. Tax Purposes), Finnish Note or Swedish Note (or any other security exchangeable at the holders' option for a security in bearer form):

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**"), (a) each Dealer represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, the Securities to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Securities in bearer form that are sold during the restricted period;
- (b) each Dealer represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling the Securities are aware that the Securities may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, and each Dealer acknowledges that an offer or sale will be considered to be made to a person who is within the United States or its possessions if the Dealer has an address within the United States or its possessions for the offeree or buyer of the Securities, except as provided by the TEFRA D Rules;
- (c) if it is a United States person, each Dealer represents that it is acquiring the Securities for purposes of resale in connection with their original issue and if it retains Securities for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6);
- (d) with respect to each affiliate that acquires Securities from it for the purpose of offering or selling the Securities during the restricted period, each Dealer either (i) repeats and confirms the representations and agreements contained in clauses (a), (b) and (c) on its behalf or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in clauses (a), (b) and (c); and
- (e) each Dealer represents that it has not and agrees that it will not enter into any written contract (other than a confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Securities, except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of the Issuer and the several Dealers, the representations contained in, and that party's agreement to comply with, the provisions of clauses (a), (b), (c) and (d).

Terms used in clauses (a), (b), (c), (d) and (e) have the meaning given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the TEFRA D Rules.

Each Security subject to Regulation S must comply with the legends and restrictions described in the sections entitled "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (m) ERISA Legends" and "U.S. Transfer Restrictions for Rule 144A Securities – Investor Letter of Representations - (bb) ERISA Restrictions".

Uruguay

The Programme has not been registered with the "Superintendence of Financial Services" of the Central Bank of Uruguay (the "**CBU**") and was not and will not be traded on any Uruguayan stock exchange.

The Securities are not offered to the public in or from Uruguay. This offer has not been and will not be announced to the public and offering material will not be made available to the public except in circumstances which do not constitute a public offer of securities in Uruguay in compliance with the requirements of the Uruguayan Securities Market Law (Law No 18.627 of 24 November 2009). Public advertising of the Programme will be avoided.

The Securities will be offered to people in or from Uruguay only through occasional private offerings and never on a professional or regular basis.

If private offers are made in or from Uruguay on a professional and regular basis, the intermediary entity has to be registered with the Uruguayan Brokers Registry kept by the Superintendence of Financial Services of the CBU, and must comply with the obligations indicated in the Circular No. 2,056 enacted by the Uruguayan Central Bank on 26 February 2010 (*Modification of the Compilation of Securities Market Regulations - Substitution of Book IV - Securities Brokers*).

Venezuela (The Bolivarian Republic of Venezuela)

The public offering of the Securities has not been authorised by the National Securities Commission (*Comisión Nacional de Valores* - "**CNV**"). Each Dealer has represented and agreed with the Issuer that (i) it shall not offer and/or sell Securities in Venezuela by means of a public offering, without obtaining the prior authorisation of CNV in accordance with the relevant provisions of the Capital Markets Law of 22 October 1998 (*Ley de Mercado de Capitales*) and (ii) this offer has not been and will not be announced to the public and offering material will not be made available to the public, without the prior authorisation of CNV.

Vietnam

The Securities will not be offered in the territory of the Socialist Republic of Vietnam ("**Vietnam**"). The Securities will not be offered or transferred to any Vietnamese citizen (whether residing in Vietnam or outside Vietnam) or any foreign exchange resident of Vietnam unless such person has obtained the necessary approval/permit as required by relevant local laws from the Vietnamese authorities (the State Bank of Vietnam and any other relevant authority according to the requirements of Vietnamese law as applicable from time to time) to purchase and/or hold such Securities, and by the purchase or acceptance of a Security, the relevant Holder shall be deemed to represent and warrant that it has obtained all necessary approvals and permits.

Disclaimer

As a result of the foregoing restrictions, purchasers of Securities are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Securities.

No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co..

U.S. TRANSFER RESTRICTIONS FOR RULE 144A SECURITIES

The Rule 144A Securities have not been and will not be registered under the Securities Act, or any state securities laws and trading in the Securities has not been approved by the U.S. Commodity Futures Trading Commission under the CEA. Securities may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. Accordingly, Securities are being offered and sold pursuant to Rule 144A under the Securities Act only to QIBs that are also Eligible Investors in other respects at the time of the acquisition and otherwise in compliance with Rule 144A.

In addition to the Transfer Restrictions described in this section, the distribution of this Base Prospectus and the relevant Final Terms and the offering or sale of the Securities to which the relevant Final Terms relates in certain jurisdictions may be further restricted by law. Persons into whose possession such documents come are required by the Issuer, the Dealer and the Arranger to inform themselves about and to observe any such restriction. This Base Prospectus and the relevant Final Terms are not intended to constitute an offer or solicitation for the purchase or sale of any Securities in any jurisdiction where such offer or solicitation would violate the laws of such jurisdiction.

Eligible Investors

Eligible Investors are QIBs that (i) are also ECPs, (ii) in the case of Securities issued by JPMSP or JPMBD, are QPs, (iii) in the case of Securities issued by JPMSP or JPMBD, are also (a) MUSIVs or (b) Qualified Offshore Clients, and (iv) (a) in the case of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates, have entered into and have remained in compliance with the relevant Investor Letter of Representations with the Issuer, the Arranger and the Dealer with respect to their purchases of Securities or (b) in the case of Rule 144A Notes represented by a Global Security, have remained in compliance with the representations such beneficial holders are deemed to have made by virtue of holding such Rule 144A Notes subject to the Transfer Restrictions with respect to their purchases of such Notes.

ECPs

An ECP means an "eligible contract participant" as defined in Section 1(a)(12) of the CEA.

Very generally, an ECP includes most types of regulated financial institutions, other legal entities with over U.S.\$10 million in assets (or U.S.\$1 million net worth and that are acquiring Rule 144A Securities in the conduct of their business) and individuals that have U.S.\$10 million in assets (or U.S.\$5 million in assets and who are acquiring Rule 144A Securities for hedging purposes). An ECP is defined to mean each of the following persons when acting for its own account:

- (a) a certain type of financial institution;
- (b) a regulated insurance company;
- (c) a regulated investment company;
- (d) a regulated commodity pool with total assets in excess of U.S.\$5 million;
- (e) a corporation, partnership, proprietorship, organization, trust, or other entity:
 - (i) that has total assets exceeding U.S.\$10 million;
 - (ii) the obligations of which under the agreement, contract, or transaction are guaranteed or otherwise supported by certain entities (but not by individuals); or
 - (iii) that has a net worth exceeding U.S.\$1 million and that enters into the agreement, contract, or transaction in connection with the conduct of its business or to manage the risk associated with an asset or liability owned or incurred in the conduct of its business;
- (f) a certain type of an ERISA plan;

- (g) a certain type of a governmental entity;
- (h) a broker-dealer (other than an individual) registered under the Exchange Act;
- (i) a futures commission merchant subject to regulation under the CEA;
- (j) a floor broker or floor trader subject to regulation under the CEA; and
- (k) an individual who has total assets in an amount in excess of:
 - (i) U.S.\$10 million; or
 - (ii) U.S.\$5 million and who enters into the agreement, contract or transaction in order to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual.

The definition of "ECP" also includes other persons that the CFTC designates from time to time as well as persons described in clauses (a), (b), (d), (e), (i), (j), or (k) above when acting as brokers or investment advisers to persons who would be ECPs for Securities of that Series and their Issuer, if they acted for their own account.

Investor Letter of Representations

Each purchaser or transferee of any (i) Rule 144A Securities which are Warrants or Certificates or beneficial interest in any Rule 144A Securities which are Warrants or Certificates or (ii) Rule 144A Notes if such Notes have been exchanged for Securities in definitive form or are being held as Securities in definitive form will be required to have entered with the Issuer, the Arranger and the Dealer into the relevant Investor Letter of Representations for such Rule 144A Securities of that Series within one year prior to each purchase or acquisition of Rule 144A Securities by it. In connection with each acquisition (whether through purchase, exchange or other transfer), redemption or exercise by it of any Rule 144A Securities, each purchaser or transferee of Rule 144A Securities will make certain acknowledgments, representations, warranties and agreements for the benefit of the Issuer, the Arranger and the Dealer, as to itself and as to each account for which it acquires any Rule 144A Securities or beneficial interest in any Rule 144A Securities:

- (a) it has all requisite power and authority to enter into the Investor Letter of Representations and the Investor Letter of Representations has been duly authorized, validly executed and delivered by it and constitutes its valid and legally binding agreement; such entrance (or in respect of Notes in the form of a Global Security, deemed entrance) into the Investor Letter of Representations and its acquisition of and payment for any Securities do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
- (b) it is (i) a "qualified institutional buyer" (as defined in Rule 144A), (ii) an "eligible contract participant" (as defined in the CEA) and (iii) in relation to Securities issued by JPMSP or JPMBD only, either (a) a "major U.S. institutional investor" (as defined in Rule 15a-6(b)(4) under the Exchange Act) or (b) (X) an entity not organised or incorporated under the laws of the United States and not engaged in a trade or business in the United States for U.S. federal income tax purposes, (Y) a natural person who is not a U.S. resident, or (Z) any entity not organised or incorporated under the laws of the United States substantially all of the outstanding voting securities of which are beneficially owned by persons described in (X) or (Y) above, which is represented by a U.S. resident professional fiduciary that is not a registered broker-dealer or a bank acting in a broker-dealer capacity within the meaning of Rule 15a-6(4)(i) under the Exchange Act;
- (c) in relation to Securities issued by JPMSP or JPMBD only, it is not (i) a dealer described in Rule 144A(a)(1)(ii) that owns and invests on a discretionary basis less than U.S.\$25,000,000 in securities of issuers that are not affiliates, (ii) a partnership, common trust fund, special trust, pension fund, retirement plan or another entity in which the partners, beneficiaries, beneficial owners or participants, as the case may be, may designate the particular investments to be made or the allocation thereof, or (iii) an entity that was formed, reformed or

recapitalized for the specific purpose of investing in Rule 144A Securities (except any entity all of whose beneficial owners are both QIBs and QPs satisfying the requirements of this paragraph (c));

- (d) it agrees that, if it is not a U.S. person within the meaning of section 7701(a)(30) of the U.S. Internal Revenue Code, upon written request of the relevant Issuer it will provide to the relevant Issuer an IRS Form W-8BEN or other certification of its nationality, residence and identity as prescribed by applicable regulations;
- (e) with respect to purchases of any particular Series of Rule 144A Securities, it will hold not less than U.S.\$50,000 aggregate purchase price of Securities (or for Securities other than LEPWs such other amount as may be provided in the relevant Final Terms) of that particular Series; for the avoidance of doubt, the foregoing minimum aggregate purchase price applies to each account for which it is acquiring Rule 144A Securities of such Series;
- (f) it will provide notice of applicable transfer restrictions to any subsequent transferees of Rule 144A Securities;
- (g) it is not purchasing such Rule 144A Securities with a view toward resale, distribution or other disposition thereof in violation of the Securities Act. It acquires such Rule 144A Securities solely for its own account or for the account of one or more QIBs as to each of which it exercises sole investment discretion and for each of which it has full power to make the acknowledgments, representations, warranties and agreements set forth in the Investor Letter of Representations, based upon its own judgment and upon advice of such business, financial, investment, legal, regulatory, accounting, tax or other advisers as it deems necessary. It acknowledges that none of the Issuer, the Arranger, the Dealer or any of their respective affiliates, representatives or agents is acting as a fiduciary for or an adviser to it with respect to the acquisition of such Rule 144A Securities, this Base Prospectus or the Final Terms relating to such Rule 144A Securities or has recommended or otherwise will recommend to it the investment in such Rule 144A Securities. It has not relied upon any communication (written or oral) of the Issuer, the Arranger or the Dealer, or any of their respective affiliates, representatives or agents with respect to the business, financial, investment, legal, regulatory, accounting, tax or other implications of the investment in such Rule 144A Securities, and it has conducted its own analysis of the business, financial, investment, legal, regulatory, accounting, tax and other implications of such an investment (it being understood that information contained in this Base Prospectus or in the Final Terms relating to such Rule 144A Securities shall not be considered investment advice or a recommendation to acquire such Rule 144A Securities);
- (h) it acquires such Rule 144A Securities with its own funds and not with the funds of any other person and upon the acquisition by it of such Rule 144A Securities, no other person will have any interest, beneficial or otherwise, in such Rule 144A Securities;
- (i) it understands and acknowledges that (i) such Rule 144A Securities have not been and will not be registered under the Securities Act or state securities laws and that the offer and sale to it of such Rule 144A Securities is only made in reliance upon the exemption from the registration requirements of the Securities Act that is provided by Rule 144A and in reliance upon relevant exemptions from state securities laws and (ii) Rule 144A Securities acquired by it or any interest therein may not be offered, sold, pledged, assigned, delivered or otherwise transferred or exercised or redeemed by it, directly or indirectly, (including, without limitation, through a conditional contract to sell, or through a grant of an option to purchase, or through any other hedge of its long position in such Rule 144A Securities), except (x) to the Issuer or the Dealer or (y) in accordance with applicable securities laws of any state of the United States and in accordance with Rule 144A exclusively through the Issuer or the Dealer to persons reasonably believed by the transferor to be QIBs that are also Eligible Investors in other respects at the time of the transfer and (iii) neither JPMSP nor JPMBD are registered as an investment company under the Investment Company Act;
- (j) (i) it understands that Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates issued by JP Morgan Chase Bank, N.A. or JP Morgan Chase & Co. shall bear legends substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS SECURITY NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR EXERCISED OR REDEEMED, EXCEPT IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") EXCLUSIVELY TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON WHO MEETS ALL OF THE FOLLOWING REQUIREMENTS AT THE TIME OF SUCH TRANSFER: (A) IT IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") AS DEFINED IN RULE 144A; (B) IT HOLDS NOT LESS THAN U.S.\$50,000 AGGREGATE PURCHASE PRICE (OR SUCH OTHER AMOUNT AS MAY BE PROVIDED IN THE RELEVANT FINAL TERMS) OF SUCH SECURITIES; (C) IT WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREES; (D) IT IS PURCHASING SOLELY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE QIBs AS TO EACH OF WHICH IT EXERCISES SOLE INVESTMENT DISCRETION AND FOR EACH OF WHICH IT HAS FULL POWER TO MAKE THE ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN CLAUSES (A) THROUGH (I); (E) IT IS AN "ELIGIBLE CONTRACT PARTICIPANT" AS DEFINED IN THE U.S. COMMODITIES EXCHANGE ACT, AS AMENDED; (F) IT HAS ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS WITH THE ISSUER, THE ARRANGER AND THE DEALER AND REMAINS IN COMPLIANCE THEREWITH; (G) IT UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES AND (H) IT AGREES THAT IT WILL NOT REOFFER, RESELL, REDELIVER, PLEDGE OR OTHERWISE TRANSFER ANY SECURITIES OR ANY LEGAL OR BENEFICIAL INTEREST THEREIN TO ANY PERSON EXCEPT (X) TO THE ISSUER OR THE DEALER OR (Y) IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A EXCLUSIVELY THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (A) THROUGH (F) ABOVE, THE ACKNOWLEDGMENT IN CLAUSE (G) ABOVE AND WHO MAKE AN UNDERTAKING TO THE EFFECT OF THIS CLAUSE (H). ANY PLEDGE, SALE OR OTHER TRANSFER OF THIS SECURITY EFFECTED OTHERWISE THAN TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON THAT IS (i) A QIB, (ii) AN ELIGIBLE CONTRACT PARTICIPANT, (iii) A PARTY TO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS IN COMPLIANCE WITH (F) ABOVE AND (iv) SUBJECT TO CLAUSE (H) ABOVE SHALL, AT THE OPTION OF THE ISSUER, (X) BE VOIDABLE OR (Y) GIVE THE ISSUER THE RIGHT TO COMPEL THE TRANSFEREE TO REDEEM ANY SECURITIES HELD BY SUCH TRANSFEREE.

- (ii) it understands that Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates issued by JPMSP or JPMBD will bear a legend as determined by the relevant Issuer substantially to the following effect:

THIS SECURITY AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS SECURITY NOR THE GUARANTEE IN RESPECT HEREOF NOR ANY INTEREST HEREIN OR THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR EXERCISED OR REDEEMED, EXCEPT IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT

("RULE 144A") EXCLUSIVELY TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON WHO MEETS ALL OF THE FOLLOWING REQUIREMENTS AT THE TIME OF SUCH TRANSFER: (A) IT IS A QUALIFIED INSTITUTIONAL BUYER ("QIB") AS DEFINED IN RULE 144A; (B) IT IS A QUALIFIED PURCHASER ("QP"), AS DEFINED IN SECTION 2(A)(51) OF THE U.S. INVESTMENT COMPANY ACT OF 1940 ("INVESTMENT COMPANY ACT"); (C) IT HOLDS NOT LESS THAN \$50,000 AGGREGATE PURCHASE PRICE (OR SUCH OTHER AMOUNT AS MAY BE PROVIDED IN THE RELEVANT FINAL TERMS) OF SUCH SECURITIES; (D) IT WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE; (E) IT IS PURCHASING SOLELY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE QIBs AS TO EACH OF WHICH IT EXERCISES SOLE INVESTMENT DISCRETION AND FOR EACH OF WHICH IT HAS FULL POWER TO MAKE THE ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN CLAUSES (A) THROUGH (K); (F) IT IS AN "ELIGIBLE CONTRACT PARTICIPANT" (AS DEFINED IN THE U.S. COMMODITIES EXCHANGE ACT, AS AMENDED); (G) IT IS EITHER A MAJOR U.S. INSTITUTIONAL INVESTOR ("MUSIV") AS DEFINED IN RULE 15A-(B)(4) UNDER THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED OR A QUALIFIED OFFSHORE CLIENT ("QUALIFIED OFFSHORE CLIENT") AS DEFINED IN THE PROSPECTUS; (H) IT HAS ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS WITH THE ISSUER, THE ARRANGER AND THE DEALER AND REMAINS IN COMPLIANCE THEREWITH; (I) IT UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES AND (J) IT AGREES THAT IT WILL NOT REOFFER, RESELL, REDELIVER, PLEDGE OR OTHERWISE TRANSFER ANY SECURITIES OR ANY LEGAL OR BENEFICIAL INTEREST THEREIN TO ANY PERSON EXCEPT (X) TO THE ISSUER OR THE DEALER OR (Y) IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A EXCLUSIVELY THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (A) THROUGH (I) ABOVE, THE ACKNOWLEDGMENT IN CLAUSE (I) ABOVE AND WHO MAKE AN UNDERTAKING TO THE EFFECT OF THIS CLAUSE (J). ANY PLEDGE, SALE OR OTHER TRANSFER OF THIS SECURITY EFFECTED OTHERWISE THAN TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON THAT IS (i) A QIB, (ii) AN ELIGIBLE CONTRACT PARTICIPANT, (iii) A MUSIV OR A QUALIFIED OFFSHORE CLIENT, (iv) A PARTY TO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS IN COMPLIANCE WITH (F) ABOVE AND (v) SUBJECT TO CLAUSE (I) ABOVE SHALL, AT THE OPTION OF THE ISSUER, (X) BE VOIDABLE OR (Y) GIVE THE ISSUER THE RIGHT TO COMPEL THE TRANSFEREE TO REDEEM ANY SECURITIES HELD BY SUCH TRANSFEREE.

- (iii) it understands that Rule 144A Notes held in the form of a Global Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. shall bear legends substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS SECURITY NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR EXERCISED OR REDEEMED, EXCEPT IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") EXCLUSIVELY TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON WHO MEETS ALL OF THE FOLLOWING REQUIREMENTS AT THE

TIME OF SUCH TRANSFER: (A) IT IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") AS DEFINED IN RULE 144A; (B) IT HOLDS NOT LESS THAN \$50,000 AGGREGATE PURCHASE PRICE (OR SUCH OTHER AMOUNT AS MAY BE PROVIDED IN THE RELEVANT FINAL TERMS) OF SUCH SECURITIES; (C) IT WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREES; (D) IT IS PURCHASING SOLELY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE QIBs AS TO EACH OF WHICH IT EXERCISES SOLE INVESTMENT DISCRETION AND FOR EACH OF WHICH IT HAS FULL POWER TO MAKE THE ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN CLAUSES (A) THROUGH (G); (E) IT IS AN "ELIGIBLE CONTRACT PARTICIPANT" (AS DEFINED IN THE U.S. COMMODITIES EXCHANGE ACT, AS AMENDED); (F) IT UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES AND (G) IT AGREES THAT IT WILL NOT REOFFER, RESELL, REDELIVER, PLEDGE OR OTHERWISE TRANSFER ANY SECURITIES OR ANY LEGAL OR BENEFICIAL INTEREST THEREIN TO ANY PERSON EXCEPT (X) TO THE ISSUER OR THE DEALER OR (Y) IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A EXCLUSIVELY THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (A) THROUGH (E) ABOVE, THE ACKNOWLEDGMENT IN CLAUSE (F) ABOVE AND WHO MAKE AN UNDERTAKING TO THE EFFECT OF THIS CLAUSE (G). ANY PLEDGE, SALE OR OTHER TRANSFER OF THIS SECURITY EFFECTED OTHERWISE THAN TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON THAT IS (i) A QIB, (ii) AN ELIGIBLE CONTRACT PARTICIPANT AND (iii) SUBJECT TO CLAUSE (G) ABOVE SHALL, AT THE OPTION OF THE ISSUER, (X) BE VOIDABLE OR (Y) GIVE THE ISSUER THE RIGHT TO COMPEL THE TRANSFEREE TO REDEEM ANY SECURITIES HELD BY SUCH TRANSFEREE.

- (iv) In addition, it understands that each Rule 144A Note in the form of a Global Security issued by JPMSP or JPMBD will bear a legend as determined by the relevant Issuer substantially to the following effect:

THIS SECURITY AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS, AND NEITHER THIS SECURITY NOR THE GUARANTEE IN RESPECT HEREOF NOR ANY INTEREST HEREIN OR THEREIN MAY BE OFFERED, SOLD PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR EXERCISED OR REDEEMED, EXCEPT IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") EXCLUSIVELY TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON WHO MEETS ALL OF THE FOLLOWING REQUIREMENTS AT THE TIME OF SUCH TRANSFER: (A) IT IS A QUALIFIED INSTITUTIONAL BUYER ("**QIB**") AS DEFINED IN RULE 144A; (B) IT IS A QUALIFIED PURCHASER ("**QP**"), AS DEFINED IN SECTION 2(A)(51) OF THE U.S. INVESTMENT COMPANY ACT OF 1940 ("**INVESTMENT COMPANY ACT**"); (C) IT HOLDS NOT LESS THAN \$50,000 AGGREGATE PURCHASE PRICE (OR SUCH OTHER AMOUNT AS MAY BE PROVIDED IN THE RELEVANT FINAL TERMS) OF SUCH SECURITIES; (D) IT WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE; (E) IT IS PURCHASING SOLELY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE QIBs AS TO EACH OF WHICH IT EXERCISES SOLE INVESTMENT DISCRETION AND FOR EACH OF WHICH IT HAS FULL POWER TO MAKE THE ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN

CLAUSES (A) THROUGH (K); (F) IT IS AN "ELIGIBLE CONTRACT PARTICIPANT" (AS DEFINED IN THE U.S. COMMODITIES EXCHANGE ACT, AS AMENDED); (G) IT IS EITHER (1) A MAJOR U.S. INSTITUTIONAL INVESTOR ("**MUSIV**") AS DEFINED IN RULE 15A(B)(4) UNDER THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED OR (2) A QUALIFIED OFFSHORE CLIENT ("**QUALIFIED OFFSHORE CLIENT**") AS DEFINED IN THE PROSPECTUS; (H) IT UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE SECURITIES FROM ONE OR MORE BOOK-ENTRY DEPOSITORIES AND (I) IT AGREES THAT IT WILL NOT REOFFER, RESELL, REDELIVER, PLEDGE OR OTHERWISE TRANSFER ANY SECURITIES OR ANY LEGAL OR BENEFICIAL INTEREST THEREIN TO ANY PERSON EXCEPT (X) TO THE ISSUER OR THE DEALER OR (Y) IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A EXCLUSIVELY THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (A) THROUGH (G) ABOVE, THE ACKNOWLEDGMENT IN CLAUSE (H) ABOVE AND WHO MAKE AN UNDERTAKING TO THE EFFECT OF THIS CLAUSE (I). ANY PLEDGE, SALE OR OTHER TRANSFER OF THIS SECURITY EFFECTED OTHERWISE THAN TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON THAT IS (i) A QIB, (ii) AN ELIGIBLE CONTRACT PARTICIPANT, (iii) A QP, (iv) A MUSIV OR A QUALIFIED OFFSHORE CLIENT, AND (v) SUBJECT TO CLAUSE (I) ABOVE SHALL, AT THE OPTION OF THE ISSUER, (X) BE VOIDABLE OR (Y) GIVE THE ISSUER THE RIGHT TO COMPEL THE TRANSFEREE TO REDEEM ANY SECURITIES HELD BY SUCH TRANSFEREE.

- (k) In addition, it understands that each Global Security deposited with a custodian for DTC shall also bear the following legend:

Unless this Security is presented by an authorized representative of The Depository Trust Company, a New York corporation ("**DTC**"), to the relevant Issuer or its agent for registration of transfer, exchange or payment, and any Security issued in the same Series (as defined in the Agency Agreement) is registered in the name of Cede & Co. or such other entity as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

- (l) In addition, each Rule 144A Security for which a Reference Asset is an equity security or basket of equity securities listed or proposed to be listed on an Indian stock exchange shall bear the following legend:

ANY PLEDGE, SALE OR OTHER TRANSFER OF THIS SECURITY TO A PERSON THAT IS A RESTRICTED ENTITY OR NOT A REGULATED ENTITY AS EACH TERM IS DEFINED IN THE PROSPECTUS SHALL, AT THE OPTION OF THE ISSUER, (X) BE VOIDABLE OR (Y) GIVE THE ISSUER THE RIGHT TO COMPEL THE TRANSFEREE TO REDEEM ANY SECURITIES HELD BY SUCH TRANSFEREE.

- (m) **ERISA Legends**

- (i) *JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities:* In addition, it understands that each Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. shall bear the following legend:

THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS SECURITY BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR ANY "PLAN"

SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), OR AN ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101, SECTION 3(42) OF ERISA OR OTHERWISE (EACH A "**PLAN**") OR ANY GOVERNMENTAL, CHURCH, NON-U.S., OR OTHER PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED UNLESS SUCH ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THE SECURITY WOULD NOT CONSTITUTE OR RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR UNDER SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY SIMILAR FEDERAL, STATE, LOCAL OR NON-U.S. LAW). ANY FIDUCIARY OF A PLAN ACQUIRING A SECURITY IN RELIANCE UPON THE STATUTORY "SERVICE PROVIDER EXEMPTION" UNDER SECTION 408(b)(17) OF ERISA AND SECTION 4975(d)(20) OF THE CODE WILL REPRESENT AND WARRANT OR WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED, AS APPLICABLE, AT THE TIME OF THE PLAN'S ACQUISITION AND THROUGHOUT THE PERIOD THE PLAN HOLDS THE SECURITY THAT (X) THE PLAN FIDUCIARY HAS MADE A GOOD FAITH DETERMINATION THAT THE PLAN IS PAYING NO MORE THAN, AND IS RECEIVING NO LESS THAN, ADEQUATE CONSIDERATION IN CONNECTION WITH THE TRANSACTION AND (Y) NONE OF JPMORGAN CHASE & CO. OR ANY OF ITS AFFILIATES EXERCISES DISCRETIONARY AUTHORITY OR CONTROL OR RENDERS INVESTMENT ADVICE WITH RESPECT TO THE ASSETS OF THE PLAN WHICH THE FIDUCIARY IS USING TO ACQUIRE THE SECURITY. ANY PURPORTED TRANSFER OF THE SECURITY, OR ANY INTEREST THEREIN, TO AN ACQUIRER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE REQUIREMENTS OF THIS PARAGRAPH WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID AB INITIO. EACH BENEFICIAL OWNER OF THIS SECURITY IN PHYSICAL FORM WILL BE REQUIRED TO EXECUTE AN INVESTOR LETTER OF REPRESENTATIONS OR WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN SUCH LETTER.

(ii) *JPMSP, JPMBD or JPMI issued Securities:*

- (x) *JPMSP/JPMBD/JPMI Standard Legend:* In addition, with respect to each Security issued by JPMSP, JPMBD or JPMI where the relevant Final Terms provide that the "JPMSP/JPMBD/JPMI Standard Restrictions apply" (or where the relevant Final Terms is silent as to whether "JPMSP/JPMBD/JPMI Standard Restrictions apply" or "JPMSP/JPMBD/JPMI Special Restrictions apply" with respect to such Security), it understands that each such Security shall bear the following legend:

BY ITS ACQUISITION, HOLDING OR SUBSEQUENT DISPOSITION OF THIS SECURITY, OR ANY INTEREST THEREIN, THE ACQUIRER AND/OR HOLDER THEREOF AND EACH TRANSFEREE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD THAT IT HOLDS SUCH SECURITY THAT (1) (A) IT IS NOT AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), THAT IS SUBJECT TO SECTION 4975 OF THE CODE, ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S

INVESTMENT IN THE ENTITY OR A "BENEFIT PLAN INVESTOR" AS SUCH TERM IS OTHERWISE DEFINED IN ANY REGULATIONS PROMULGATED BY THE U.S. DEPARTMENT OF LABOR UNDER SECTION 3(42) OF ERISA OR (B) IF IT IS AN INSURANCE COMPANY ACTING ON BEHALF OF ITS GENERAL ACCOUNT, (I) IT IS NOT A PERSON WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR A PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS OR AN AFFILIATE OF SUCH A PERSON, (II) AS OF THE DATE IT ACQUIRES AND THROUGHOUT THE PERIOD IT HOLDS A SECURITY OR ANY INTEREST THEREIN, LESS THAN 25 PER CENT. OF THE ASSETS OF SUCH GENERAL ACCOUNT CONSTITUTES "PLAN ASSETS" (AS DEFINED IN 29 C.F.R. SECTION 2510.3-101), (III) IT AGREES THAT IF, AFTER ITS INITIAL ACQUISITION OF A SECURITY, OR ANY INTEREST THEREIN, AT ANY TIME DURING ANY MONTH, 25 PER CENT. OR MORE OF THE ASSETS OF SUCH GENERAL ACCOUNT CONSTITUTES "PLAN ASSETS", THEN SUCH INSURANCE COMPANY SHALL, IN A MANNER CONSISTENT WITH THE RESTRICTIONS ON TRANSFER SET FORTH HEREIN, DISPOSE OF THE SECURITY, OR ANY INTEREST THEREIN, HELD IN ITS GENERAL ACCOUNT BY THE END OF THE NEXT FOLLOWING MONTH AND (IV) THE ACQUISITION, HOLDING OR SUBSEQUENT DISPOSITION OF SUCH SECURITY, OR ANY INTEREST THEREIN, WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE WHICH IS NOT COVERED UNDER PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 OR SOME OTHER APPLICABLE EXEMPTION AND (2) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, ITS ACQUISITION, HOLDING OR SUBSEQUENT DISPOSITION OF SUCH SECURITY WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION UNDER SUCH SIMILAR FEDERAL, STATE, LOCAL OR NON-U.S. LAW. ANY PURPORTED TRANSFER OF THE SECURITY, OR ANY INTEREST THEREIN, TO AN ACQUIRER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE REQUIREMENTS OF THIS PARAGRAPH WILL BE OF NO FORCE AND EFFECT, SHALL BE NULL AND VOID AB INITIO AND THE ISSUER WILL HAVE THE RIGHT TO DIRECT THE ACQUIRER TO TRANSFER THE SECURITIES, OR ANY INTEREST THEREIN, AS APPLICABLE, TO A PERSON WHO MEETS THE FOREGOING CRITERIA. EACH BENEFICIAL OWNER OF THIS SECURITY IN PHYSICAL FORM WILL BE REQUIRED TO EXECUTE AN INVESTOR LETTER OF REPRESENTATIONS OR WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN SUCH LETTER.

- (y) *JPMSP/JPMBD/JPMI Special Legend:* In addition, with respect to each Security issued by JPMSP, JPMBD or JPMI where the relevant Final Terms provide that the "JPMSP/JPMBD/JPMI Special Restrictions apply" (which shall be the case only where the Issuer has satisfied itself (through an opinion of ERISA counsel or otherwise) that such Security does not constitute an equity interest for purposes of ERISA), it understands that each such Security shall bear the following legend:

THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS SECURITY BY, OR ON BEHALF OF, OR WITH THE ASSETS OF ANY "EMPLOYEE BENEFIT PLAN" SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT

INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR ANY "PLAN" SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), OR AN ENTITY PART OR ALL OF THE ASSETS OF WHICH CONSTITUTE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101, SECTION 3(42) OF ERISA OR OTHERWISE (EACH A "**PLAN**") OR ANY GOVERNMENTAL, CHURCH, NON-U.S., OR OTHER PLAN SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE IS PROHIBITED UNLESS SUCH ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THE SECURITY WOULD NOT CONSTITUTE OR RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR UNDER SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY SIMILAR FEDERAL, STATE, LOCAL OR NON-U.S. LAW). ANY FIDUCIARY OF A PLAN ACQUIRING A SECURITY IN RELIANCE UPON THE STATUTORY "SERVICE PROVIDER EXEMPTION" UNDER SECTION 408(b)(17) OF ERISA AND SECTION 4975(d)(20) OF THE CODE WILL REPRESENT AND WARRANT OR WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED, AS APPLICABLE, AT THE TIME OF THE PLAN'S ACQUISITION AND THROUGHOUT THE PERIOD THE PLAN HOLDS THE SECURITY THAT (X) THE PLAN FIDUCIARY HAS MADE A GOOD FAITH DETERMINATION THAT THE PLAN IS PAYING NO MORE THAN, AND IS RECEIVING NO LESS THAN, ADEQUATE CONSIDERATION IN CONNECTION WITH THE TRANSACTION AND (Y) NONE OF JPMORGAN CHASE & CO. OR ANY OF ITS AFFILIATES EXERCISES DISCRETIONARY AUTHORITY OR CONTROL OR RENDERS INVESTMENT ADVICE WITH RESPECT TO THE ASSETS OF THE PLAN WHICH THE FIDUCIARY IS USING TO ACQUIRE THE SECURITY. ANY PURPORTED TRANSFER OF THE SECURITY, OR ANY INTEREST THEREIN, TO AN ACQUIRER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE REQUIREMENTS OF THIS PARAGRAPH WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID AB INITIO. EACH BENEFICIAL OWNER OF THIS SECURITY IN PHYSICAL FORM WILL BE REQUIRED TO EXECUTE AN INVESTOR LETTER OF REPRESENTATIONS OR WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN SUCH LETTER."

- (n) it understands and acknowledges that the Issuer has the right, at its option, (x) to compel any legal or beneficial owner of Rule 144A Securities that has acquired Rule 144A Securities in violation of the legend thereon and is not an Eligible Investor at the time it acquired Rule 144A Securities (or, if Rule 144A Security is a Rule 144A Security for which a Reference Asset is an equity security or basket of equity securities listed or proposed to be listed on an Indian stock exchange, is a Restricted Entity or not a Regulated Entity as defined herein) to redeem any Rule 144A Securities held by such legal or beneficial owner or (y) to void the transfer of any Rule 144A Securities to such legal or beneficial owner, including by compelling a sale by such legal or beneficial owner, or selling Rule 144A Securities on behalf of such legal or beneficial owner, to a purchaser acceptable to the Issuer;
- (o) it understands and acknowledges that the Issuer may receive a list of participants holding positions in the securities from one or more book-entry depositaries;
- (p) it (i) has provided to the Dealer financial and other information concerning its investment objectives and risk tolerance that has not been rendered misleading or obsolete; (ii) understands that the investment in Rule 144A Securities is subject to a very high degree of complex risks which may arise without warning, may at times be volatile, and that losses may occur quickly and in unanticipated magnitude and that Rule 144A Securities are highly speculative and may result in a loss of the entire investment; (iii) has concluded that its

investment in Rule 144A Securities is suitable in light of its own investment objectives, financial capabilities and expertise; and (iv) has not been solicited by the Issuer, the Arranger, the Dealer or any of their respective affiliates to purchase any Rule 144A Securities, but rather on its own initiative has requested the relevant Issuer to structure and sell Rule 144A Securities to it through the Dealer;

- (q) it has a valid business purpose for acquiring Rule 144A Securities and its investment in Rule 144A Securities is consistent with its overall investment strategy at such time;
- (r) it has such knowledge and experience in financial and business matters (including with respect to investments in unregistered equity securities of issuers similarly situated as the issuer of the Reference Assets underlying Rule 144A Securities) as to enable it to evaluate the merits and risk of its investment in Rule 144A Securities (as well as in the underlying Reference Assets) and it is able to bear the economic risk of investing in and holding Rule 144A Securities;
- (s) it acknowledges that it shall not acquire any Rule 144A Securities without an independent investigation by it of the Reference Assets to which the return on Rule 144A Securities is linked and of the issuers, owners, guarantors or sponsors of such Reference Assets because the investment in Rule 144A Securities may be viewed as economically equivalent to an investment in the underlying Reference Assets;
- (t) it has read and understands the information contained in the Base Prospectus, as supplemented at such time, as well as the information contained in the relevant Final Terms;
- (u) it acknowledges, in connection with any acquisition by it of any Rule 144A Securities, that the information, if any, about the Reference Assets to which Rule 144A Securities are linked and contained in the relevant Final Terms has not been prepared by, or on behalf of, and has not been verified by, or on behalf of, the Issuer, the Arranger, the Dealer or any of their respective affiliates, and the Issuer, the Arranger and the Dealer have disclaimed any responsibility for such information and that an independent investigation of the relevant Reference Assets and of the issuers, owners, guarantors or sponsors of such Reference Assets is required for such purpose. In connection with any acquisition by it of any Rule 144A Securities it has not relied on any representations or other information purported to be given by or on behalf of the Issuer, the Arranger or the Dealer, except as expressly set forth in the Base Prospectus, as supplemented at such time, and the relevant Final Terms;
- (v) it acknowledges that the Issuer, the Arranger, the Dealer and their respective affiliates are not responsible for determining the legality or suitability of an investment by it in Rule 144A Securities and that none of the Issuer, the Arranger, the Dealer and their respective affiliates has been or will be acting at any time during an offering of any Rule 144A Securities as an underwriter, distributor or other similar agent for the issuer, owner, guarantor or sponsor of the relevant Reference Assets in connection with the acquisition by it of Rule 144A Securities;
- (w) it has conducted its own investigation of Rule 144A Securities and the related Reference Assets and of the issuers, owners, guarantors or sponsors of such Reference Assets and the risks related to an investment in Rule 144A Securities and, indirectly, in such Reference Assets, and, in connection with any such investigation, it has not relied on the Issuer, the Arranger, the Dealer or any of their respective affiliates, representatives or agents, and none of such persons has made any representation to it, express or implied, with respect to such Reference Assets, such issuers, owners, guarantors or sponsors or Rule 144A Securities, except as expressly set forth in this Base Prospectus, as supplemented at such time, or the relevant Final Terms;
- (x) it has all the information that it believes is necessary or appropriate in connection with its purchase of Rule 144A Securities (including, without limitation, all the information in respect of any underlying Reference Assets, the issuers, owners, guarantors or sponsors of such Reference Assets and Rule 144A Securities);
- (y) it is aware and acknowledges that the Issuer, the Arranger, the Dealer or their respective affiliates may from time to time have a direct or indirect investment in, or a banking or other business relationship with, one or more issuers, owners, guarantors or sponsors of the

Reference Assets and, in the course of such relationships, the Issuer, the Arranger, the Dealer or any of their respective affiliates may come into possession of material, non-public information regarding such entity; it further understands and acknowledges that none of the Issuer, the Arranger, the Dealer and their respective affiliates has been acting at any time during an offering of Rule 144A Securities as an underwriter, distributor or other similar agent for the issuer, owner, guarantor or sponsor of the relevant Reference Assets in connection with the acquisition by it of Rule 144A Securities; or is under any obligation to inform investors or legal or beneficial owners either of the nature of or the fact that they were in possession of such information. It is aware that from time to time, the Issuer or any of its affiliates may provide or make available to it, as well as to others, research, opinions and other information in regard to securities, commodities, other financial assets, and market participants or events which include the Reference Assets or the issuers, owners, guarantors or sponsors of the Reference Assets in respect of Rule 144A Securities; it acknowledges that if such information is provided to it, it is so provided without regard to its personal financial situation or other circumstances and that the provision by the Issuer or such affiliate of such information to it, whether sent directly or made readily accessible, and whether in writing, in electronic form or the subject of a taping, broadcast or narrowcast, does not imply that an investment in the Rule 144A Securities linked to such Reference Assets is suitable in light of its particular circumstances. It agrees that if such information is received by it, it will not be the basis of any investment decision by it. While all information produced by the Issuer or any of its affiliates is based on sources believed to be reliable, it acknowledges that the Issuer and its affiliates do not guarantee or warrant the accuracy, reliability or timeliness of such information, and further, all information and opinions are current only as of the time provided, and are subject to rapid change without prior notice. It also acknowledges that the Issuer or any of its affiliates may execute transactions for others or for their own account in financial instruments consisting of or linked to Reference Assets (which positions may be inconsistent with the information provided) including Rule 144A Securities of any particular Series and such transactions may have an adverse effect on the price of the Reference Assets and/or Rule 144A Securities linked to such Reference Assets; it agrees that it requested the Issuer to structure and sell Securities of any particular Series to it through the Dealer on its own initiative without reference to any of the foregoing activities by the Issuer any of its affiliates with the Reference Issuer or Reference Assets to which Rule 144A Securities are linked;

- (z) it does not have, at the time it purchases or receives the Rule 144A Securities of any Series or at the time it resells, transfers, exercises or redeems the Rule 144A Securities, any material, non-public information regarding the relevant Reference Issuer;
- (aa) it understands and acknowledges that the purpose of the acquisition of Rule 144A Securities is to secure a profit or minimize a loss by reference to fluctuations in the price of the relevant Reference Asset, and accordingly, it agrees that it is an express term of such Securities that (i) it does not acquire any interest in or right to acquire any Reference Asset by virtue of holding any Rule 144A Security; (ii) none of it, the Issuer or any entity acting for the Issuer is obliged to sell, purchase, hold, deliver, pledge, transfer or receive any relevant Reference Asset; (iii) its primary right and the primary obligation of the Issuer is to receive or make the respective payments referred to in the General Conditions; and (iv) it will not in any way have any rights with respect to any underlying Reference Asset including, but not limited to, voting rights;
- (bb) ***ERISA Restrictions***
 - (i) *JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities:* With respect to each Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., it acknowledges, represents, warrants and agrees with the following:

With respect to each Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., it shall not acquire, hold or subsequently dispose of such Security for, on behalf of, or with the assets of any "employee benefit plan" subject to the fiduciary responsibility provisions of the Employee Retirement Security Act of 1974, as amended ("**ERISA**") or any "plan" subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), or an entity part or all of the assets of which constitute assets of any such employee benefit plan or plan by reason of Department of Labor Regulation Section 2510.3-101, Section 3(42) of ERISA or otherwise (each a "**Plan**") or any governmental, church, non-U.S. or other

plan subject to any federal, state, local or non-U.S. law similar to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code, unless such acquisition, holding and subsequent disposition of the Security will not constitute or result in any non-exempt prohibited transaction under Section 406 of ERISA or under Section 4975 of the Code (or in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any similar federal, state, local or non-U.S. law). Any fiduciary of a Plan acquiring a Security in reliance upon the statutory "service provider exemption" under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code represents and warrants at the time of the Plan's acquisition and throughout the period the Plan holds the Security that (x) the Plan fiduciary has made a good faith determination that the Plan is paying no more than, and is receiving no less than, adequate consideration in connection with the transaction and (y) none of JPMorgan Chase & Co. or any of its affiliates exercises discretionary authority or control or renders investment advice with respect to the assets of the Plan which the fiduciary is using to acquire the Security.

(ii) *JPMSP, JPMBD or JPMI issued Securities:*

(x) *JPMSP/JPMBD/JPMI Standard Restrictions:* With respect to each Security issued by JPMSP, JPMBD or JPMI where the relevant Final Terms provide that the "JPMSP/JPMBD/JPMI Standard Restrictions apply" (or where the relevant Final Terms is silent as to whether "JPMSP/JPMBD/JPMI Standard Restrictions apply" or "JPMSP/JPMBD/JPMI Special Restrictions apply"), it acknowledges, represents, warrants and agrees with the following:

With respect to the acquisition, holding and subsequent disposition of each Security issued by JPMSP, JPMBD or JPMI, (1) (A) it is not (a) an "employee benefit plan" (as defined in Section 3(3) of Title I of the Employee Retirement Security Act of 1974, as amended ("**ERISA**")) that is subject to the fiduciary responsibilities provisions of ERISA, (b) a "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "**Code**"), that is subject to Section 4975 of the Code, (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity or (d) a "benefit plan investor" as such term is otherwise defined in any regulations promulgated by the U.S. Department of Labor under Section 3(42) of ERISA or (B) if it is an insurance company acting on behalf of its general account, (i) it is not a person who has discretionary authority or control with respect to the assets of the Issuer or a person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person, (ii) as of the date it acquires and throughout the period it holds the Security, or any interest therein, less than 25 per cent. of the assets of such general account constitutes "plan assets" (as defined in 29 C.F.R. Section 2510.3-101) for purposes of ERISA and/or Section 4975 of the Code, (iii) it agrees that if, after its initial acquisition of the Security, or any interest therein, at any time during any month, 25 per cent. or more of the assets of such general account constitute "plan assets", then such insurance company shall, in a manner consistent with the restrictions on transfer set forth herein, dispose of the Security, or any interest therein, held in its general account by the end of the next following month and (iv) the acquisition, holding and subsequent disposition of the Security, or any interest therein, will not constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code which is not covered under PTCE 95-60 or some other applicable exemption and (2) if it is a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law similar to the provision of Section 406 of ERISA or Section 4975 of the Code, its acquisition, holding and subsequent disposition of such Security will not constitute or result in a non-exempt violation under any such similar federal, state, local or non-U.S. law.

(y) *JPMSP/JPMBD/JPMI Special Restrictions:* With respect to each Security issued by JPMSP, JPMBD or JPMI where the relevant Final Terms provide that the "JPMSP/JPMBD/JPMI Special Restrictions apply" (which shall be the case only where the Issuer has satisfied itself (through an opinion of ERISA counsel or otherwise) that such Security does not constitute an equity interest for purposes of ERISA), it acknowledges, represents, warrants and agrees with the following:

With respect to the acquisition, holding and subsequent disposition of each Security issued by JPMSP, JPMBD or JPMI, it shall not acquire, hold or subsequently dispose of such Security for, on behalf of, or with the assets of any "employee benefit plan" subject to the fiduciary

responsibility provisions of the Employee Retirement Security Act of 1974, as amended ("**ERISA**") or any "plan" subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), or an entity part or all of the assets of which constitute assets of any such employee benefit plan or plan by reason of Department of Labor Regulation Section 2510.3-101, Section 3(42) of ERISA or otherwise (each a "**Plan**") or any governmental, church, non-U.S. or other plan subject to any federal, state, local or non-U.S. law similar to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code, unless such acquisition, holding and subsequent disposition of the Security will not constitute or result in any non-exempt prohibited transaction under Section 406 of ERISA or under Section 4975 of the Code (or in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any similar federal, state, local or non-U.S. law). Any fiduciary of a Plan acquiring a Security in reliance upon the statutory "service provider exemption" under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code represents and warrants at the time of the Plan's acquisition and throughout the period the Plan holds the Security that (x) the Plan fiduciary has made a good faith determination that the Plan is paying no more than, and is receiving no less than, adequate consideration in connection with the transaction and (y) none of JPMorgan Chase & Co. or any of its affiliates exercises discretionary authority or control or renders investment advice with respect to the assets of the Plan which the fiduciary is using to acquire the Security.

- (cc) it is not a country, territory, individual or entity named on any publicly available list of known or suspected terrorists, terrorist organizations or other sanctioned persons or entities, or an individual or entity that resides or has a place of business in a country or territory named on such lists, issued by the U.S. government, including those lists administered by the Office of Foreign Assets Control and the undersigned has established procedures to identify clients on such lists;
- (dd) it is not a "Foreign Shell Bank" as defined in the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**USA PATRIOT Act**"), a foreign bank operating under an "**Offshore Banking License**" as defined in the USA PATRIOT Act, a foreign bank operating in a non-cooperative Financial Action Task Force jurisdiction, or a foreign bank operating in an industry or jurisdiction designated as of primary money laundering concern by the U.S. Secretary of the Treasury;
- (ee) it understands and acknowledges that it, its employees, representatives or other agents may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the offering of Rule 144A Securities pursuant to this Base Prospectus and all materials of any kind (including any opinions or other tax analyses provided) relating to such U.S. federal income tax treatment and tax structure;
- (ff) it agrees to, and it authorizes the Dealer, Issuer or any of their respective affiliates, to provide, upon request of any regulatory authority in respect of any transaction in respect of the Securities, with any information requested by such regulatory entity with respect to such transaction; and
- (gg) with respect to any Rule 144A Securities for which Reference Asset is (a) any security or basket of securities of a company/companies registered in India (including but not limited to securities that are listed or proposed to be listed on any recognized stock exchange in India; and/or (b) units of an Indian mutual fund; and/or (c) a derivative (including but not limited to futures and options contracts listed or proposed to be listed) on any recognized stock exchange in India (hereinafter referred to as an "**Offshore Derivative Instrument**"), it represents that:
 - (i) it is NOT a "**Restricted Entity**", which means that it is not:
 - (A) a "person resident in India", as defined under the FEMA;
 - (B) a "non-resident Indian" (which includes a "person of Indian origin") as defined under the Foreign Exchange Management (Deposit) Regulations 2000 (as may be amended or supplemented from time to time);

- (ii) its "controller" is not a Restricted Entity. For the purposes of this definition, a "controller" means any person or group of persons (acting pursuant to an agreement or understanding (whether formal or informal, written or otherwise)) who:
 - (A) is/are entitled to exercise, or control the exercise of a majority or more of the voting power of an entity, or
 - (B) holds or is otherwise entitled to a majority or more of the economic interest in an entity, or
 - (C) who in fact exercises control over an entity.

For the purposes of this definition, "control" means the ability to appoint a majority or more of the directors of an entity, or the capacity to control decision-making, directly or indirectly, in relation to the financial, investment and/or operating policies of an entity in any manner. Notwithstanding the foregoing definition, in the case only where an entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such entity's controller for the purposes of this definition by reason only of it being able to control decision-making in relation to the entity's financial, investment and /or operating policies.

- (iii) it is a "person regulated by an appropriate foreign regulatory authority" (as such term and/or requirements relating thereto are defined or otherwise interpreted by any Indian governmental or regulatory authority (each an "**Authority**") for the purposes of Regulation 15A of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as may be amended or supplemented from time to time) ("**FII Regulations**") ("**Regulated Entity**");
- (iv) the Offshore Derivative Instruments are not being purchased with the intent of circumventing or otherwise avoiding any requirements applicable under the FII Regulations and/or any other subsidiary regulations or circulars issued pursuant thereto (including, without limitation, any restrictions applying to foreign institutional investors in relation to their issuances and/or other dealings of offshore derivative instruments with Restricted Entities and persons/entities that are not Regulated Entities ("**Unregulated Entities**"));
- (v) the Offshore Derivative Instruments shall not be sold, transferred, assigned, novated or otherwise disposed of, to any Restricted Entity;
- (vi) the Offshore Derivative Instruments shall not be, directly or indirectly, sold, transferred, assigned, novated or otherwise disposed of to any Unregulated Entity;
- (vii) the Issuer is authorized to provide information in its possession regarding the Holder and the Offshore Derivative Instrument to any Authority as such other party the Issuer reasonably deems necessary or appropriate in order to comply with regulations or requests of such Authority from time to time; and
- (viii) the holder will, at its option, either (A) provide the Issuer with such additional information that the Issuer reasonably deems necessary, or appropriate in order to comply with regulations or requests of any Authority from time to time (such information, the "**Additional Information**"), or (B) subject to such Authority accepting such direct provision, provide such Additional Information directly to such Authority and confirm to the other party that it has done so.

If at any time it shall come to the attention of the Issuer and/or the Arranger and/or the Dealer that the Offshore Derivative Instruments are legally and/or beneficially owned by a person in contravention of the representations set forth above, and such person fails to comply with the instructions of the Issuer to sell his Offshore Derivative Instruments and to provide the Issuer with evidence of such sale within 30 calendar days of being so instructed by the Issuer, the Issuer may in its discretion compulsorily redeem such Offshore Derivative Instruments at the Early Payment Amount immediately after the close of business specified in the notice given by the Issuer to the person(s) mentioned above of such compulsory redemption, the Offshore

Derivative Instruments will be redeemed in accordance with their respective terms and such investors will cease to be owners of such Offshore Derivative Instruments.

Each purchaser of Rule 144A Securities which are Notes held in definitive form, Warrants or Certificates will further acknowledge in the relevant Investor Letter of Representations that the Issuer, the Arranger and the Dealer will rely upon its representations, warranties, acknowledgments and agreements set forth in such Investor Letter of Representations in connection with the offering and sale of Rule 144A Securities, and, therefore, each purchaser will have agreed to notify the Dealer in writing as soon as any of the representations, warranties, acknowledgments or agreements set forth in the relevant Investor Letter of Representations ceases to be accurate and complete, and, under all circumstances, prior to the closing of any acquisition of Rule 144A Securities by it.

CERTAIN ERISA CONSIDERATIONS

The advice below was not written and is not intended to be used and cannot be used by any taxpayer for purposes of avoiding United States federal income tax penalties that may be imposed. The advice is written to support the promotion or marketing of the transaction. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

The foregoing disclaimer is provided to satisfy obligations under Circular 230 governing standards of practice before the Internal Revenue Service

The United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA and subject to Title I of ERISA), including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans and on those persons who are fiduciaries with respect to such plans. Investments by such plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that such plan's investments be made in accordance with the documents governing such plan. The prudence of a particular investment must be determined by the responsible fiduciary of such plan by taking into account such plan's particular circumstances and all of the facts and circumstances of the investment including, but not limited to, the matters discussed above under "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Securities.

Section 406 of ERISA and Section 4975 of the Internal Revenue Code of 1986 as amended (the "**Code**") prohibit certain transactions involving the assets of employee benefit plans (as defined in Section 3(3) of ERISA and subject to Title I of ERISA) as well as those plans that are not subject to ERISA but which are defined in Section 4975(e)(1) of the Code and subject to Section 4975 of the Code, such as individual retirement accounts (collectively, "**Plans**") and certain persons (referred to as "**parties in interest**" or "**disqualified persons**") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

U.S. Department of Labor regulation 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**") describes what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA and Section 4975 of the Code, including the fiduciary responsibility provisions of Title I of ERISA and Section 4975 of the Code. Under the Plan Asset Regulations, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the 1940 Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or, as further discussed below, that equity participation in the entity by "benefit plan investors" is not "significant."

Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if the Securities are acquired with the assets of a Plan with respect to which the relevant Issuer, the Dealer, the Arranger, the Guarantor (in relation to Securities issued by JPMSP or JPMBD), JPMorgan Chase & Co. or any of their respective affiliates, is a party in interest or a disqualified person. JPMorgan Chase & Co. and its affiliates are considered a party in interest or a disqualified person with respect to many Plans. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire a Security and the circumstances under which such decision is made. Included among these exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to investments by insurance company pooled separate accounts), PTCE 95-60 (relating to investments by insurance company general accounts), and PTCE 96-23 (relating to transactions effected by in-house asset managers) (collectively, "**Investor-Based Exemptions**"). There is also a statutory exemption that may be available under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code to a party in interest that is a service provider to a Plan investing in the Securities for adequate consideration, provided such service provider is not (i) a fiduciary with respect to the Plan's assets used to acquire the Securities or an affiliate of such fiduciary or (ii) an affiliate of the employer sponsoring the Plan (the

"Service Provider Exemption"). Adequate consideration means fair market value as determined in good faith by the Plan fiduciary pursuant to regulations to be promulgated by the U.S. Department of Labor. There can be no assurance that any of these Investor-Based Exemptions or the Service Provider Exemption or any other administrative or statutory exemption will be available with respect to any particular transaction involving the Securities.

Governmental, certain church, non-U.S. and other plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to state, local, federal or non-U.S. laws that are similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before acquiring any Securities.

The U.S. Supreme Court's decision, in *John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank* ("**Harris Trust**"), 510 U.S. 86 (1993), held that those funds allocated to the general account of an insurance company pursuant to a contract with an employee benefit plan that varies with the investment experience of the insurance company are "plan assets". The American Council of Life Insurance requested a prohibited transaction class exemption to counteract the effects of *Harris Trust*. In the preamble to the resulting Prohibited Transaction Class Exemption 95-60, 60 Fed. Reg. 35,925 (July 12, 1995) ("**PTCE 95-60**"), the Department of Labor noted that for purposes of calculating the 25 per cent. threshold under the significant participation test of the Plan Assets Regulation, only the proportion of an insurance company general account's equity investment in the entity that represents plan assets should be taken into account. Furthermore, a change in the level of plan investment in a general account subsequent to the general account's acquisition of an interest in the entity would not, by itself, trigger a new determination of whether plan participation is significant. However, it is the Department of Labor's view that an acquisition by the general account of an additional interest in the entity subsequent to its initial investment or an acquisition in the entity by any investor subsequent to the general account's initial investment would require a new determination of significant plan participation. Although the Department of Labor has not specified how to determine the proportion of an insurance company general account that represents plan assets for purposes of the 25 per cent. threshold, they have, in the case of PTCE 95-60, provided a method for determining the percentage of an insurance company's general account held by the benefit plans of an employer and its Affiliates by comparing the reserves and liabilities for the general account contracts held by such plans to the total reserves and liabilities of the general account (exclusive of separate account liabilities) plus surplus. However, there is no assurance that a similar measurement would be used for purposes of the 25 per cent. threshold.

Any insurance company proposing to invest assets of its general account in Securities should consider the extent to which such investment would be subject to the requirements of Title I of ERISA and Section 4975 of the Code in light of the U.S. Supreme Court's decision in *John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank*, 510 U.S. 86 (1993), and the enactment of Section 401(c) of ERISA. In particular, such an insurance company should consider (i) the exemptive relief granted by the U.S. Department of Labor for transactions involving insurance company general accounts in PTCE 95-60 and (ii) if such exemptive relief is not available, whether its acquisition of Securities will be permissible under the final regulations issued under Section 401(c) of ERISA. The final regulations provide guidance on which assets held by an insurance company constitute "plan assets" for purposes of the fiduciary responsibility provisions of ERISA and Section 4975 of the Code. The regulations do not exempt the assets of insurance company general accounts from treatment as "plan assets" to the extent they support certain participating annuities issued to Plans after 31 December 1998.

Securities Issued by JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co.

The Plan Asset Regulations define an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. As mentioned above, if a Plan invests in an "equity interest" of an entity, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless the entity is an "operating company." An operating company is an entity engaged, directly or indirectly, in business activities involving the manufacture or sale of a product or service. If a Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. is deemed to be an equity interest in the respective Issuer, an investment by a Plan in such equity interest should not result in such Plan having an undivided interest in either entity's assets because JPMorgan Chase Bank, N.A. and

JPMorgan Chase & Co. should qualify as operating companies. In addition, a Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. may constitute a debt interest or a notional principal contract, depending on the relevant form and terms of such Security. Therefore, a Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. may be acquired by a Plan. Nevertheless, without regard to whether such Security is considered a debt or equity interest or a notional principal contract, prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if such Security is acquired with the assets of a Plan with respect to which the relevant Issuer, or in certain circumstances, any of its respective affiliates, is a party in interest or a disqualified person. The Investor-Based Exemptions or the Service Provider Exemption may be available to cover such prohibited transactions.

By its acquisition, holding and subsequent disposition of any Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., each acquirer and subsequent transferee thereof will be deemed to have represented and warranted, at the time of its acquisition and throughout the period it holds such Security, either that (a) it is neither a Plan nor any entity whose underlying assets include "plan assets" by reason of such Plan's investment in the entity, nor a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law that is similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) its acquisition, holding and subsequent disposition of such Security will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any similar law). In addition, a Plan fiduciary relying on the Service Provider Exemption will be deemed to have represented and warranted at the time of the Plan's acquisition and throughout the period the Plan holds the Security that (x) the Plan fiduciary has made a good faith determination that the Plan is paying no more than, and is receiving no less than, adequate consideration in connection with the transaction and (y) none of JPMorgan Chase & Co. or any of its affiliates exercises discretionary authority or control or renders investment advice with respect to the assets of the Plan which the fiduciary is using to acquire the Security, both of which are necessary preconditions to utilizing this exemption. Any acquirer that is a Plan is encouraged to consult with counsel regarding the application of the above representations and warranties. Any purported transfer of a Security issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., or any interest therein to an acquirer or transferee that does not comply with the requirements specified in the applicable documents will be of no force and effect and shall be null and void ab initio.

Securities Issued by JPMSP, JPMBD or JPMI

Generally equity participation in an entity by "benefit plan investors" is "significant" and will cause the assets of the entity to be deemed the assets of an investing Plan (in the absence of another applicable Plan Asset Regulations exception) if 25 per cent. or more of the value of any class of equity interest in such entity is held by "benefit plan investors" (the "**25 per cent. Limit**"). Under Section 3(42) of ERISA, employee benefit plans that are not subject to Title I of ERISA and plans that are not subject to Section 4975 of the Code, such as U.S. governmental and church plans or non-U.S. plans, are not considered "benefit plan investors." Therefore, the term "benefit plan investor" includes (a) an "employee benefit plan" (as defined in Section 3(3) of Title I of ERISA) that is subject to the fiduciary responsibilities provisions of ERISA, (b) a "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code, (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity or (d) a "benefit plan investor" as such term is otherwise defined in any regulations promulgated by the U.S. Department of Labor under Section 3(42) of ERISA (collectively, "**Benefit Plan Investors**"). For purposes of making the 25 per cent. determination, the value of any equity interests held by a person (other than a benefit plan investor) who has discretionary authority or control with respect to the assets of the Issuer or any person who provides investment advice for a fee (direct or indirect) with respect to the Issuer's assets, or any affiliate of such a person (a "**Controlling Person**"), shall be disregarded. Under the Plan Assets Regulation, an "affiliate" of a person includes any person, directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with the person, and "control" with respect to a person, other than an individual, means the power to exercise a controlling influence over the management or policies of such person.

The Securities issued by JPMSP, JPMBD or JPMI may be considered to have substantial equity features under the Plan Assets Regulations and, accordingly, should not be acquired by any benefit plan investor other than an insurance company general account, provided that in the case of a Security issued by JPMSP, JPMBD or JPMI, less than 25 per cent. of the assets in such general account

constitute "plan assets" (as defined in the Plan Asset Regulation) for purposes of ERISA and/or Section 4975 of the Code. There are no assurances that any of the exceptions to the look-through rule (other than the exception for equity participation in an entity by benefit plan investors that is less than 25 per cent.) applies to the investment by an investor in a Security issued by JPMSP, JPMBD or JPMI. Furthermore, there can be no assurance that, despite the transfer restrictions relating to acquisitions by benefit plan investors and procedures to be employed to attempt to limit the ownership by benefit plan investors in the Securities issued by JPMSP, JPMBD and JPMI to less than 25 per cent. of the Securities issued by JPMSP, JPMBD and JPMI benefit plan investors will not in actuality own 25 per cent. or more of the value of the Securities issued by JPMSP, JPMBD and JPMI.

JPMSP/JPMBD/JPMI Standard Restrictions

Each acquirer and subsequent transferee of a Security issued by JPMSP, JPMBD or JPMI will be deemed to have represented and warranted that (1) (A) it is not a Benefit Plan Investor or (B) if it is an insurance company acting on behalf of its general account, (i) it is not a Controlling Person, (ii) as of the date it acquires and throughout the period it holds the Security, or any interest therein, less than 25 per cent. of the assets of such general account constitutes "plan assets" (as defined in 29 C.F.R. Section 2510.3-101) for purposes of ERISA and/or Section 4975 of the Code, (iii) it agrees that if, after its initial acquisition of the Security, or any interest therein, at any time during any month, 25 per cent. or more of the assets of such general account constitute "plan assets", then such insurance company shall, in a manner consistent with the restrictions on transfer set forth herein, dispose of the Security, or any interest therein, held in its general account by the end of the next following month and (iv) the acquisition, holding and subsequent disposition of the Security, or any interest therein, will not constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code which is not covered under PTCE 95-60 or some other applicable exemption and (2) if it is a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law similar to the provision of Section 406 of ERISA or Section 4975 of the Code, its acquisition, holding and subsequent disposition of such Security will not constitute or result in a non-exempt violation under any such similar federal, state, local or non-U.S. law. Any purported transfer of a Security issued by JPMSP, JPMBD or JPMI, or any interest therein, to an acquirer or transferee that does not comply with the requirements of this paragraph will be of no force and effect, shall be null and void ab initio and the Issuer will have the right to direct the acquirer or transferee to transfer the Security issued by JPMSP, JPMBD or JPMI, or any interest therein, as applicable, to a person who meets the foregoing criteria. (The foregoing are the "**JPMSP/JPMBD/JPMI Standard Restrictions**".)

JPMSP/JPMBD/JPMI Special Restrictions

Provided however, if JPMSP, JPMBD or JPMI determine that a Security issued by JPMSP, JPMBD or JPMI is not an equity interest for purposes of ERISA, each acquirer and subsequent transferee of a Security issued by JPMSP, JPMBD or JPMI will be deemed to have represented and warranted that it shall not acquire, hold or subsequently dispose of such Security for, on behalf of, or with the assets of Plan or any governmental, church, non-U.S. or other plan subject to any federal, state, local or non-U.S. law similar to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code, unless such acquisition, holding and subsequent disposition of the Security will not constitute or result in any non-exempt prohibited transaction under Section 406 of ERISA or under Section 4975 of the Code (or in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any similar federal, state, local or non-U.S. law). Any fiduciary of a Plan acquiring a Security in reliance upon the statutory "service provider exemption" under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code represents and warrants at the time of the Plan's acquisition and throughout the period the Plan holds the Security that (x) the Plan fiduciary has made a good faith determination that the Plan is paying no more than, and is receiving no less than, adequate consideration in connection with the transaction and (y) none of JPMorgan Chase & Co. or any of its affiliates exercises discretionary authority or control or renders investment advice with respect to the assets of the Plan which the fiduciary is using to acquire the Security, both of which are necessary preconditions to utilizing this exemption. Any acquirer that is a Plan is encouraged to consult with counsel regarding the application of the above representations and warranties. Any purported transfer of a Security issued by JPMSP, JPMBD or JPMI, or any interest therein, to an acquirer or transferee that does not comply with the requirements of this paragraph will be of no force and effect, shall be null and void ab initio and the Issuer will have the right to direct the acquirer or transferee to transfer the Security issued by JPMSP, JPMBD or JPMI, or any interest therein, as applicable, to a person who meets the foregoing criteria. (The foregoing are the "**JPMSP/JPMBD/JPMI Special Restrictions**".)

Other Considerations

There can be no assurance that, despite the prohibitions relating to acquisitions by Benefit Plan Investors, that Benefit Plan Investors will not in actuality own 25 per cent. or more of a class of outstanding Securities issued by JPMSP, JPMBD or JPMI. If for any reason the assets of JPMSP, JPMBD or JPMI are deemed to be "plan assets" of a Plan subject to Title I of ERISA or Section 4975 of the Code because the 25 per cent. Limit is exceeded, certain transactions that might be entered into by, or on behalf of, such Issuer in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded at significant cost to the Issuer. In addition, an Issuer may be prevented from engaging in certain investments (as not being deemed consistent with the ERISA prudent investment standards) or engaging in certain transactions or fee arrangements because they might be deemed to cause non-exempt prohibited transactions. It also is not clear that Section 403(a) of ERISA, which generally requires that all of the assets of a Plan be held in trust and limits delegation of investment management responsibilities by fiduciaries of Plans, would be satisfied. In addition, it is unclear whether Section 404(b) of ERISA, which generally provides that no fiduciary may maintain the indicia of ownership of any assets of a plan outside the jurisdiction of the district courts of the United States, would be satisfied or any of the exceptions to the requirement set forth in 29 C.F.R. Section 2550.404b-1 would be available.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN OF THE ERISA AND OTHER IMPLICATIONS OF AN INVESTMENT IN THE SECURITIES AND DOES NOT PURPORT TO BE COMPLETE. MOREOVER, THE MATTERS DISCUSSED ABOVE MAY BE AFFECTED BY FUTURE REGULATIONS, RULINGS AND COURT DECISIONS, SOME OF WHICH MAY HAVE RETROACTIVE APPLICATION AND EFFECT. POTENTIAL ACQUIRERS SHOULD CONSULT WITH THEIR OWN LEGAL AND OTHER ADVISORS PRIOR TO INVESTING TO DETERMINE THE ERISA IMPLICATIONS OF SUCH INVESTMENTS IN LIGHT OF SUCH POTENTIAL ACQUIRER'S CIRCUMSTANCES.

THE SALE OF SECURITIES TO A PLAN IS IN NO RESPECT A REPRESENTATION BY THE ISSUERS, JPMSP, JPMBD OR JPMI, JPMORGAN CHASE & CO., JPMORGAN CHASE BANK, N.A., THE ARRANGER OR THE DEALER THAT THIS INVESTMENT MEETS ALL RELEVANT REQUIREMENTS WITH RESPECT TO INVESTMENTS BY PLANS GENERALLY OR ANY PARTICULAR PLAN OR THAT THIS INVESTMENT IS APPROPRIATE FOR PLANS GENERALLY OR ANY PARTICULAR PLAN.

TAXATION

The tax summaries below address only certain aspects of the taxation of income from Securities in a limited number of jurisdictions and are included in this Base Prospectus solely for information purposes. These summaries cannot replace individual legal or tax advice or become a sole base for any investment decisions and/or assessment of any potential tax consequences thereof.

Securities may have terms and conditions that result in tax consequences that differ from those described below. In that case, the supplement pursuant to which those Securities are issued will include a summary of material tax considerations applicable to those Securities.

In order to facilitate the reading of the tax summaries and provide investors with an indication as to which country-specific tax summaries might be of particular interest to such investor, the introductory paragraph of each tax summary describes what the tax section relates to, for example, whether it applies to any Issuer of the Securities, the relevant jurisdiction in which an investor is resident and the relevant jurisdiction in which the Paying Agent is located. The introductory paragraphs are for information purposes only, in order to provide guidance in reading this section of the Base Prospectus and are not intended to be authoritative. Investors should evaluate independently which tax summaries might be relevant to them.

INVESTORS IN THE SECURITIES ARE ADVISED TO CONSULT THEIR OWN ADVISERS AS TO THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSAL OF A SECURITY

Barbados and Caribbean Community ("Caricom") Taxation

For Barbados tax purposes, J.P. Morgan Indies SRL, based on certain factual representations made about having its central management and control exercised in Barbados, received a ruling from Barbados Inland Revenue that it will be a resident of Barbados for the purposes of the Caricom Tax Treaty Agreement among the Governments of the Member States of the Caribbean Community for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, Profits or Gains and Capital Gains and for the Encouragement of Regional Trade and Investment ("**Treaty**"), and will be entitled to the benefits of the Treaty.

J.P. Morgan Indies SRL will be subject to tax on its worldwide income under the laws of Barbados as an International SRL. The maximum corporation tax rate of 2.5 per cent. will apply on its taxable profits not in excess of US\$5,000,000. The tax rate declines on a sliding scale to 1 per cent. on taxable profits over US\$15,000,000.

As an International SRL, payments of interest, distributions or returns, management fees or other fees made by J.P. Morgan Indies SRL to a person who is not resident in Barbados are exempt from withholding tax in Barbados.

Holders of Securities who are residents of a Member State of Caricom that is signatory to the Treaty are eligible for the benefits of the Treaty. Each Holder of Securities must consult with its own tax advisor, in light of its specific facts and circumstances, to determine its eligibility to claim a benefit under the Treaty.

Under Article 12 of the Treaty, interest arising in a Caricom Member State and paid to a resident of another Caricom Member State is only taxable in the state where the interest arises at a rate not exceeding 15 per cent.. As any interest payments on the Securities will be made by an International SRL, no tax will be withheld from such interest paid to the Holders of Securities. Further, any interest received by a Holder of Securities who is a resident in a country that is signatory to the Treaty should not be subject to tax in its country of residence by virtue of the application of the Treaty. Each Holder of Securities must consult its own tax advisors to determine whether it qualifies as a resident in a country that is a signatory to the Treaty and whether it is eligible to claim the benefit of the Treaty.

Republic of Ireland Taxation

The following discussion is a summary of certain material Irish tax considerations relating to (i) Securities issued by JPMBD, (ii) Securities issued by any of the Issuers (other than JPMBD) where the Holder is tax resident in Ireland or has a tax presence in Ireland or (iii) Securities where the Paying Agent or custodian is located in Ireland.

The discussion is based on Irish law and the practice of the Irish Revenue Commissioners in effect on the date of this Base Prospectus. The discussion relates only to the position of persons who are the absolute beneficial owners of their Securities (other than dealers in securities) and is for general information only. The discussion does not address other Irish tax aspects of acquiring, holding, disposing, abandoning, exercising or dealing in Securities. The discussion does not constitute taxation or legal advice.

Securities issued by JPMBD

This section addresses the Irish tax treatment of Holders who acquire or hold invest in Securities issued by JPMBD.

Irish Withholding Tax

No Irish interest withholding tax will apply to interest payments by JPMBD in respect of Securities once such interest payments are made by JPMBD in the ordinary course of carrying on its bona fide banking business in Ireland. JPMBD intends that it will make its interest payments in respect of Securities in this manner.

No Irish deposit interest retention tax ("**DIRT**") will apply to payments on Notes issued by JPMBD provided that the Notes are (a) listed on a stock exchange, and (b) treated for Irish tax purposes as 'debts on a security'. The Notes should be treated as 'debts on a security' once the value of the Notes can vary in accordance with market conditions so that a holder of the Notes could make a profit on their disposal. No DIRT will apply to payments by JPMBD in respect of Certificates and Warrants.

No Irish encashment tax will apply to payments by JPMBD in respect of Securities which are quoted on a recognised stock exchange provided an Irish person does not act as a collection agent on behalf of a Holder. No Irish encashment tax will apply to payments by JPMBD in respect of other Securities.

Irish Stamp Duty

Transfers of interests in the Securities issued by JPMBD can result in a charge to Irish stamp duty. However, the Irish Revenue Commissioners have confirmed to JPMBD that, where the Securities are deposited with a depository on behalf of Euroclear, Clearstream or the DTC, transfers of equitable interests in the Securities through such electronic clearing systems will (as a concession) be treated as being exempt from a charge to Irish stamp duty.

Irish Income Tax and Corporation Tax

Persons subject to Irish income tax or corporation tax are under an obligation to account for Irish tax on a self-assessment basis. There is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

Holders of Securities issued by JPMBD who are Irish tax resident ("**Irish Resident Holders**") will generally be subject to Irish income tax or corporation tax in respect of income payable on the Securities.

Holders of Securities issued by JPMBD who are not Irish tax resident and who do not hold the Securities as part of a trade carried on through a branch or agency in Ireland ("**Foreign Holders**") could be within the charge to Irish income tax on income payable on those Securities because such income could be regarded as Irish source income on the basis that Securities issued by JPMBD could be treated as Irish situate property. However, a Foreign Holder will be exempt from Irish income tax on interest payable on Securities issued by JPMBD if that Foreign Holder is a company which is regarded (for the purposes of section 198 of the Taxes Consolidation Act of Ireland) as being tax resident in a country which has signed a double tax treaty with Ireland (provided the double tax treaty contains an

article dealing with interest or income from debt claims) or a country which is a member state of the EU (other than Ireland) and, in either case, that country imposes a tax that generally applies to interest receivable in that country by companies from sources outside that country. A list of the countries with which Ireland has entered into a double tax treaty is available on www.revenue.ie.

If this exemption does not apply, it is understood that the Irish Revenue Commissioners have a long standing unpublished practice under which no action is taken to pursue any liability to any Irish income tax arising on interest payments made in respect of persons who are not Irish tax resident. JPMBD has been advised that the Irish Revenue Commissioners could possibly adopt a similar practice in relation to any payments under the Securities which, though not interest payments, were made to persons who are not Irish tax resident. However, this practice would not apply where Holders:

are chargeable to Irish tax in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of such income;

seek to claim relief and/or repayment of Irish tax deducted at source in respect of income from Irish sources; or

are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which such income is attributable.

There can be no assurance that this practice will continue to apply.

Irish Capital Gains Taxation

Irish Resident Holders will generally be subject to Irish capital gains taxation in respect of any capital gains arising on the disposal of Securities issued by JPMBD (assuming that Securities which are Notes constitute 'debts on a security' (see above)).

Foreign Holders of Securities issued by JPMBD will not be subject to Irish capital gains taxation in respect of the Securities provided that the Securities do not derive their value (directly or indirectly) from Irish land or buildings.

Irish Capital Acquisitions Tax

If Securities issued by JPMBD are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident transferor or if the transferee is resident or ordinarily resident in Ireland or if any of the Securities are regarded as Irish situate property, the transferee may be liable to Irish capital acquisitions tax. As the Securities may be regarded as Irish situate property, it is possible that a charge to Irish capital acquisitions tax could arise on a gift or inheritance even though neither the transferor nor the transferee have any other connection with Ireland.

Securities issued by Issuers (other than JPMBD) to Irish Resident Holders

This section addresses the Irish tax treatment of Irish Resident Holders who acquire or hold Securities issued by any of the Issuers other than JPMBD ("**Foreign Issuers**"). This section also addresses the Irish tax treatment of Holders who are not tax resident in Ireland but hold Securities issued by a Foreign Issuer ("**Foreign Securities**") as part of a trade carried on through an Irish branch or agency ("**Irish Branch Holders**") and, together with Irish Resident Holders, "**Irish Holders**").

Irish Withholding Tax

Where Irish Resident Holders acquire or hold Foreign Securities and appoint an Irish collection agent, then Irish encashment tax (currently 20 per cent.) may be deducted by that collection agent.

Irish Stamp Duty

Where Foreign Securities constitute 'marketable securities', no Irish stamp duty should apply on the transfer of such Foreign Securities once the transfer does not relate to (a) Irish land or rights or interests in Irish land, or (b) any stocks or marketable securities of an Irish incorporated company (other than a regulated Irish investment fund). 'Marketable securities' means securities of such a description as to be capable of being sold in any Irish stock market.

Alternatively, if the capital raised by the issue of the Foreign Securities has the character of borrowed money, no Irish stamp duty should arise once:

- (a) the Foreign Securities do not carry any rights of conversion into stocks or marketable securities (other than loan capital) of a company having a register in Ireland or into loan capital having such a right;
- (b) the Foreign Securities do not carry rights of the same kind as shares in the capital of a company (including rights such as voting rights, a share in the profits or a share in the surplus on liquidation);
- (c) the Foreign Securities are not issued for a price which is less than 90 per cent. of their nominal value; and
- (d) the Foreign Securities do not carry a right to a sum in respect of repayment or interest which is related to certain movements in an index or indices (based wholly or partly and directly or indirectly on stocks or marketable securities) specified in any instrument or other document relating to the Securities.

Irish Corporation Tax and Income Tax

Irish Holders will generally be liable to Irish income tax or corporation tax in respect of income payable on Foreign Securities.

Irish Holders who acquire Foreign Securities issued by JPMI should consider whether the Foreign Securities constitute a 'material interest' in an offshore fund for Irish tax purposes (as defined in section 743 of the Taxes Consolidation Act 1997 of Ireland). If Foreign Securities qualify as 'material interests', a different Irish tax treatment will apply to income arising.

Irish Holders who acquire Foreign Securities issued by JPMorgan Chase Bank, N.A. through a branch situated in the EU should consider whether the return on the Foreign Securities constitutes 'specified interest' for the purposes of section 267M of the Taxes Consolidation Act 1997 of Ireland. If the return constitutes 'specified interest' for these purposes, the rate of tax specified in section 267M may apply to such return.

Irish Capital Gains Taxation

Irish Resident Holders of Foreign Securities will generally be liable to Irish capital gains taxation in respect of any capital gains arising on the disposal of Foreign Securities (assuming that Securities which are Notes constitute 'debts on a security' (see above)).

Irish Branch Holders are generally subject to Irish capital gains taxation on the disposal of Irish situate assets which are (or were) used for the purposes of their Irish trade. Once the Foreign Securities do not become Irish situate assets, Irish Branch Holders should not become subject to Irish capital gains taxation on the disposal of Foreign Securities.

Irish Holders who acquire Foreign Securities issued by JPMI should consider whether the Foreign Securities constitute a 'material interest' in an offshore fund for Irish tax purposes (as defined in section 743 of the Taxes Consolidation Act 1997 of Ireland). If Foreign Securities qualify as such 'material interests', a different Irish tax treatment will apply to gains arising.

Irish Capital Acquisitions Tax

Irish Resident Holders will generally be subject to Irish capital acquisitions taxation on any gift or inheritance of Foreign Securities which they receive.

Securities where the Paying Agent or custodian is located in Ireland

Securities issued by JPMBD

Payments made through a Paying Agent located in Ireland in respect of Securities issued by JPMBD may result in Irish withholding tax (in the form of encashment tax) being deducted. The appointment of

an Irish custodian through which Securities issued by JPMBD are held should not affect the Irish tax treatment of such Securities.

Foreign Securities

Payments made through a Paying Agent located in Ireland in respect of Foreign Securities may result in Irish withholding tax (in the form of encashment tax) being deducted. An exemption from this withholding tax can be claimed in advance by Foreign Holders on application to the Irish Revenue Commissioners. The appointment of an Irish custodian through which Foreign Securities are held could result in various Irish tax issues if an Irish situate asset arises by virtue of that arrangement.

The Netherlands Taxation

The following discussion is a summary of certain material Dutch tax considerations relating to (i) Securities issued by JPMSF, (ii) Securities issued by any of the Issuers where the Holder is tax resident in The Netherlands or has a tax presence in The Netherlands, or (iii) Securities held through a Paying Agent or custodian located in The Netherlands.

This summary is based on the laws and practice in force as of the date of this Offering Circular and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of a Security, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules.

For the purpose of this summary it is assumed that no Holder has or will have a substantial interest, or - in the case of a Holder being an entity - a deemed substantial interest, in the Issuer and that no connected person (*verbonden persoon*) to the Holder has or will have a substantial interest in the Issuer.

Generally speaking, an individual has a substantial interest in the Issuer if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of the Issuer.

Generally speaking, an entity has a substantial interest in the Issuer if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of the Issuer. An entity holding a Security has a deemed substantial interest in the Issuer if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Withholding Tax

All payments made by the Issuer under the Securities, whether or not through a Paying Agent or custodian in The Netherlands, can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, unless the Securities qualify as debt that effectively functions as equity for purposes of article 10, paragraph 1, sub d of the Corporate Tax Act (*Wet op de vennootschapsbelasting 1969*). According to Supreme Court case law, the Securities effectively function as equity if (a) the Securities are subordinated to all other non-subordinated creditors of the Issuer, (b) the Securities do not have a fixed maturity or have a maturity of more than 50 years, and (c) payments under the Securities are entirely or almost entirely dependent on the Issuer's profits.

Taxes on Income and Capital Gains

Resident entities

A Holder which is an entity and is, or is deemed to be, resident in The Netherlands for corporate tax purposes and is not tax exempt, will generally be subject to corporate tax in respect of income or a capital gain derived from a Security at rates up to 25.5 per cent..

Resident individuals

A Holder who is an individual and is, is deemed to be, or has elected to be treated as, resident in The Netherlands for income tax purposes will be subject to income tax in respect of income or a capital gain derived from a Security at rates up to 52 per cent. if:

- (i) the income or capital gain is attributable to an enterprise from which the Holder derives profits (other than as a shareholder); or
- (ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor (ii) applies, an individual holding a Security will be subject to income tax on the basis of a deemed return, regardless of any actual income or capital gain derived from a Security. The deemed return amounts to 4 per cent. of the average value of the individual's net assets in the relevant fiscal year (including the Security). Subject to application of certain allowances, the deemed return will be taxed at a rate of 30 per cent..

Non-residents entities or individuals

A Holder who is not, is not deemed to be, and - in the case of a Holder who is an individual - has not elected to be treated as, resident in The Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from a Security unless:

- (i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands and the Holder of a Security derives profits from such enterprise (other than by way of securities); or
- (ii) the Holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

Gift and Inheritance Taxes

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Security by way of gift by, or on the death of, a Holder, unless:

- (i) the Holder is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

Value Added Tax

The issuance or transfer of a Security and payments of interest and principal under a Security will not be subject to value added tax in The Netherlands.

Other Taxes and Duties

The subscription, issue, placement, allotment, delivery or transfer of a Security will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

Residence

A Holder will not be, or deemed to be, resident in The Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Security or the execution, performance, delivery and/or enforcement of a Security.

Dutch implementation of the EU Savings Tax Directive

In accordance with European Council Directive 2003/48/EC (the "**EU Savings Tax Directive**") on the taxation of savings income, The Netherlands will provide to the tax authorities of another EU Member State (and certain non-EU countries and associated territories specified in said directive) details of payments of interest or other similar income paid by a person within The Netherlands to, or collected by such a person for, an individual resident in such other state.

United States Federal Income Taxations

GENERAL

To ensure compliance with U.S. Treasury regulations, we advise investors that any tax discussion herein was not written and is not intended to be used and cannot be used by any taxpayer for the purpose of avoiding U.S. federal income tax penalties that may be imposed on the taxpayer. Any such tax discussion was written to support the promotion or marketing of the Securities to be issued pursuant to this Base Prospectus. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. INVESTORS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

NEW U.S. TAX LEGISLATION

Introduction

It is possible that a newly enacted U.S. tax law (the "**New U.S. Tax Law**") could impose a withholding tax of up to 30 per cent. on payments of interest, principal or certain other income made on or after 1 January 2013 in respect of Securities issued by JPMSB or JPMBD (each, a "**Non-U.S. Issuer**") to Holders, depending on the particular circumstances of the relevant Non-U.S. Issuer, Securities and Holder. It is also possible that, in certain circumstances (as set out in General Condition 17.2 (*Tax Termination Event*)) where the relevant Non-U.S. Issuer would be (or there is a substantial likelihood that it would be) subject to withholding under the New U.S. Tax Law, Securities of such Issuer held by some or all Holders may be redeemed or terminated at the Early Payment Amount. There could also be withholding of 30 per cent. on payments to the relevant Non-U.S. Issuer of interest, dividends and sales proceeds from certain U.S. assets held by such Non-U.S. Issuer. In addition, the New U.S. Tax Law may apply to any payments made under the JPMorgan Chase Bank, N.A. Guarantee in respect of the Securities of JPMSB or under the JPMorgan Chase & Co. Guarantee in respect of the Securities of JPMBD.

General

The New U.S. Tax Law is particularly complex, is subject to further guidance and interpretive releases from the U.S. Department of the Treasury and the United States Internal Revenue Service (the "**IRS**"), and is dependent on the particular factual circumstances of the relevant Non-U.S. Issuer, the Securities and, potentially, the Holder of such Securities. Broadly, however, the New U.S. Tax Law may require a payor of "U.S. source interest", "U.S. source dividends", or "other U.S. source periodic income" (and of

proceeds from the sale of assets that produce U.S. source interest or U.S. source dividends) (together, "**U.S. Source Income**") paid on or after 1 January 2013 to withhold 30 per cent. from such payments (which may not be refundable) except where (1) the assets giving rise to such U.S. Source Income comprise certain types of obligations that are outstanding on or before 18 March 2012 ("**Grandfathered Obligations**") or (2) the relevant Non-U.S. Issuer (and each foreign withholding agent (if any) in the chain of custody) meets certain reporting requirements regarding its direct and indirect U.S. Holders. As the Non-U.S. Issuers may, from time to time, hold assets that give rise to U.S. Source Income, it is anticipated that each Non-U.S. Issuer will comply with such reporting requirements and, accordingly, expects to be required to, among other things, agree with the IRS to withhold on (or instruct paying agents to withhold on) payments to it that are attributable to payments (hereinafter, "pass-thru" payments) to "Recalcitrant Holders" (as described below) under its Securities (in an amount up to 30 per cent. of its U.S. Source Income allocable to such Recalcitrant Holders).

Grandfathered Obligations

The withholding tax under the New U.S. Tax Law is applicable to payments made to or from a Non-U.S. Issuer on or after 1 January 2013, but does not apply to payments made to (and possibly by) the Issuer with respect to Grandfathered Obligations (although the New U.S. Tax Law may apply to such obligations if they are modified after 18 March 2012 and treated as reissued for U.S. federal income tax purposes). For purposes of the grandfathering clause, it is unclear whether the term "obligation" refers to (i) instruments or securities other than obligations that are debt for U.S. tax purposes or (ii) Securities issued on or prior to 18 March 2012 but held by one or more affiliates of the Non-U.S. Issuer until purchased by a Holder after 18 March 2012. It is also unclear whether a Non-U.S. Issuer will be required to withhold on payments to Recalcitrant Holders with respect to payments on its Securities that are issued after 18 March 2012, even if the withholding is only based on payments attributable to Grandfathered Obligations held by the Issuer.

Reporting and Withholding Requirements

In complying with the new reporting requirements noted above, each Non-U.S. Issuer anticipates that it will enter into an agreement with the IRS ("**IRS Agreement**") under which it will be required to, among other things, (i) agree to withhold 30 per cent. of certain payments made (or instruct paying agents to withhold on certain payments to it that are allocable to amounts made) to any Recalcitrant Holders that are indirectly receiving U.S. Source Income and (ii) provide certain information to the IRS about its direct and indirect U.S. Holders.

In relation to item (i) above, the Non-U.S. Issuers understand that even if there is no direct linkage between the payments on the Securities and any U.S. Source Income received by the Non-U.S. Issuer, the IRS may require, pursuant to the IRS Agreement, that there be a withholding in relation to payments on Securities of Non-U.S. Issuers in an amount equal to 30 per cent. of the Recalcitrant Holders' pro rata share of any U.S. Source income payable to such Non-U.S. Issuers.

In relation to item (ii) above, the relevant Non-U.S. Issuer will require each (i) Non-U.S. Holder of Securities to provide satisfactory documentation (to be determined) that it is not a U.S. Person and (ii) U.S. Holder of Securities to provide its name, address and taxpayer identification number. If a Holder of Securities is a foreign entity or otherwise not the beneficial owner of the Securities, such Holder generally will be required to provide certain information about its owners (or beneficial owners) in order to enable the Non-U.S. Issuer to identify and report on certain of such Holder's direct and indirect U.S. beneficial owners. Although certain exceptions to these disclosure requirements could apply, each Holder of Securities of a Non-U.S. Issuer should (i) assume that the failure to provide the required information generally will result in a 30 per cent. U.S. withholding tax on pass-thru payments made to such Holder, and (ii) recognize that any withholding that should otherwise be allocable to Recalcitrant Holders may be disproportionately allocable to a particular Class of Holders and that Recalcitrant Holders, as well as compliant Holders, may be subject to the redemption of its Securities as described in General Condition 17.2 (*Tax Termination Event*). The disproportionate allocation may result from the Non-U.S. Issuer having less cash to pay Holders of Securities generally. A Non-U.S. Issuer may have less cash to pay Holders if the Non-U.S. Issuer is unable to fulfill its obligation to withhold on its Recalcitrant Holders and as a result instructs its withholding agents to withhold on payments to it (with respect to certain of its assets that generate U.S. Source Income) that are deemed to be allocated to its Recalcitrant Holders.

Recalcitrant Holders

A "**Recalcitrant Holder**" generally is a holder of debt or equity in a Non-U.S. Issuer (other than debt or equity interests which are regularly traded on an established securities market) that fails to comply with reasonable requests for information that will help enable the relevant Non-U.S. Issuer to comply with its reporting requirements described immediately above. If a non-U.S. law prohibits a Holder from providing the information requested, such Holder generally must execute a waiver of this non-U.S. law (and then provide such information) or dispose of its Securities (or otherwise have its interest in the relevant Non-U.S. Issuer cancelled) within a reasonable period of time. In addition, in complying with the U.S. reporting requirements under the New U.S. Tax Law, it may be necessary for the relevant Non-U.S. Issuer to agree in the IRS Agreement to "close out" any Holder (and not just a Holder that fails to obtain the foreign law waiver described above) that fails to respond to its reasonable requests for information that will help enable such Non-U.S. Issuer to comply with such U.S. reporting requirements. In the event a Non-U.S. Issuer does "close out" any Holder's interest, it may do so by causing the early redemption of such Securities. Any redemption will be at the Early Payment Amount.

Uncertain Application

At this time, the application of the new withholding tax and the New U.S. Tax Law generally to the Non-U.S. Issuers is uncertain. An alternative application of the New U.S. Tax Law to the Non-U.S. Issuers is expected to be no more burdensome to the Non-U.S. Issuers and the Holders than as described herein. Due to the uncertainties, it is not clear what actions, if any, will be required to minimize the impact of the New U.S. Tax Law on the Non-U.S. Issuers and the Holders of Securities. No assurance can be given that a Non-U.S. Issuer will be able to take all necessary actions or that actions taken will be successful to minimize the new withholding tax. Further, the efficacy of a Non-U.S. Issuer's actions might not be within the control of the Non-U.S. Issuer and, for example, may depend on the actions of Holders of the Securities (and each foreign withholding agent (if any) in the chain of custody). Finally, as noted above, there is no assurance that the Non-U.S. Issuer will be able to withhold on payments to its Recalcitrant Holders.

The New U.S. Tax Law is particularly complex and its application to a Non-U.S. Issuer is uncertain at this time. Each potential investor in Securities should consult its own tax advisor to obtain a more detailed explanation of the New U.S. Tax Law and to learn how it might affect such investor in its particular circumstance.

TAXATION OF U.S. HOLDERS

Only Rule 144A Securities are being offered to U.S. Holders. A U.S. Holder who owns a Security treated as bearer for U.S. tax purposes may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code of 1986. For purposes of the discussion in this section entitled "United States Federal Income Taxation—TAXATION OF U.S. HOLDERS", the term "Securities" refers only to Rule 144A Securities, and in any event, only to Securities that are not properly treated as in bearer form for U.S. tax purposes.

This summary deals only with purchasers of Securities that are U.S. Holders and that will hold the Securities as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Securities by particular investors, and does not address state, local, foreign or other tax laws. In particular, this summary does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold Securities as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. dollar). This summary also does not address the considerations that may be applicable to holders of equity or other interests in an owner of a Security.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Securities that is (i) a citizen or resident of the United States for U.S. federal income tax purposes, (ii) a corporation, or other entity treated as a corporation, created or organised under the laws of the United States or any political

subdivision thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership that holds Securities will depend on the status of the partner and the activities of the partnership. Investors that are partnerships should consult their tax adviser concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Securities by the partnership.

The Securities are complex derivative Securities whose relevant Final Terms may vary materially as among different series of Securities. There is limited authority directly applicable to such Securities and such authority may not directly address Securities with terms substantially similar to those of a particular Security. Accordingly, the proper characterization for federal income tax purposes of the Securities may be unclear under current law.

Depending on the terms of a particular Series or Tranche of Securities, such Securities may be characterized as debt for U.S. federal income tax purposes, notwithstanding that the form of the Securities may be something other than debt (e.g., Warrants or Certificates). A Security could be characterized as debt for federal income tax purposes if the relevant Issuer is legally obliged to pay unconditionally amounts at least equal to, or substantially equal to, the Holder's principal amount invested (or, possibly, if the likelihood that such an amount will not be repaid is remote). Under the relevant authorities, the determination of whether an instrument is properly characterized as debt is made on the basis of all the facts and circumstances. The courts and the IRS have identified a number of factors as relevant in characterizing an instrument as debt. However, these authorities have generally concluded that no one factor is controlling for purposes of determining whether an instrument is properly characterized as debt for U.S. federal income tax purposes. Typically, the courts and the IRS weigh the various factors to determine whether, on balance, the debt features of an instrument predominate. As a result, even in those instances, alternative characterizations are possible.

Securities characterized other than as debt, depending on their precise terms, may be properly characterized as options or collateralised options written or held by the U.S. Holder, forward contracts (including prepaid forward contracts), or some other form of derivative financial contract. If the Security provides for interim payments, the Security also might be characterized a notional principal contract or as consisting of units comprised of a derivative and a separate interest-bearing deposit that collateralizes a Holder's obligations under that derivative. Alternative characterizations are also possible.

For a Series or a Tranche of Securities that is not properly treated as debt, investors should be aware that the IRS issued a notice requesting comments from the public with respect to issues in connection with prepaid forward contracts and similar derivatives. Among other things, the notice states that the IRS is considering whether parties to such transactions should be required to accrue income/expense over the term of such instruments and that consideration is also being given to the source of such income. A bill was also introduced in Congress to require holders of prepaid derivative contracts acquired after the enactment of the bill to accrue interest currently over the term of such instrument notwithstanding that the instrument does not bear interest and is not treated as debt for U.S. federal income tax purposes. It is not possible to predict what, if any, legislative or regulatory action will result from the proposals above or from other governmental action from time-to-time, but it is possible that any such action could materially alter the tax consequences of Securities discussed below and any such change could have a material adverse effect on a U.S. Holder.

No rulings will be sought from the IRS regarding the characterization of any of the Securities issued hereunder for U.S. federal income tax purposes. For the reasons above, the timing and character of income recognized by a Holder for U.S. federal income tax purposes is uncertain and also may vary depending on the precise terms of a Security. Each U.S. Holder is urged to consult its own tax advisor about the timing, character and source of income it will recognize as a result of acquiring, holding or disposing of Securities.

U.S. Federal Income Tax Treatment of Securities Treated as Debt

The following summary applies to Securities that are properly treated as debt for U.S. federal income tax purposes.

Payments of Interest

Interest on a Security, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (a "**foreign currency**"), other than interest on a "Discount Security" that is not "qualified stated interest" or a "Contingent Security" (each as defined below under "*Original Issue Discount — General*"), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the Holder's method of accounting for tax purposes. Interest paid by the relevant Issuer on Securities and original issue discount, if any, accrued with respect to Securities (as described below under "*Original Issue Discount*") generally will constitute income from sources within the United States.

Original Issue Discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Securities issued with original issue discount ("**OID**").

A Security, other than a Security with a term of one year or less (a "**Short-Term Security**"), will be treated as issued with OID (a "**Discount Security**") if the excess of the Security's "stated redemption price at maturity" over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Security's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "instalment obligation") will be treated as a Discount Security if the excess of the Security's stated redemption price at maturity over its issue price is greater than 0.25 per cent. of the Security's stated redemption price at maturity multiplied by the weighted average maturity of the Security. A Security's weighted average maturity is the sum of the following amounts determined for each payment on a Security (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Security's stated redemption price at maturity. Generally, the issue price of a Security will be the first price at which a substantial amount of Securities included in the issue of which the Security is a part is sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Security is the total of all payments provided by the Security that are not payments of "qualified stated interest". A qualified stated interest payment is generally any one of a series of stated interest payments on a Security that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under "*Variable Interest Rate Securities*"), applied to the outstanding principal amount of the Security. Solely for the purposes of determining whether a Security has OID, the relevant Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Security, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Security.

U.S. Holders of Discount Securities must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Securities. The amount of OID able to be included in income by a U.S. Holder of a Discount Security is the sum of the daily portions of OID with respect to the Discount Security for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Security ("**accrued OID**"). The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Security may be of any length selected by the U.S. Holder and may vary in length over the term of the Security as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Security occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Security's adjusted issue price at the beginning of

the accrual period and the Discount Security's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period and, in some cases, taking account of any optional puts and calls) over (b) the sum of the payments of qualified stated interest on the Security allocable to the accrual period. The "**adjusted issue price**" of a Discount Security at the beginning of any accrual period is the issue price of the Security increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Security that were not qualified stated interest payments.

Acquisition Premium

A U.S. Holder that purchases a Discount Security for an amount less than or equal to the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "acquisition premium") and that does not make the election described below under "*Election to Treat All Interest as Original Issue Discount*", is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Security immediately after its purchase over the Security's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, over the Security's adjusted issue price.

Market Discount

A Security, other than a Short-Term Security, generally will be treated as purchased at a market discount (a "**Market Discount Security**") if the Security's stated redemption price at maturity or, in the case of a Discount Security, the Security's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Security by at least 0.25 per cent. of the Security's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Security's maturity (or, in the case of a Security that is an instalment obligation, the Security's weighted average maturity). If this excess is not sufficient to cause the Security to be a Market Discount Security, then the excess constitutes "*de minimis* market discount". For this purpose, the "revised issue price" of a Security generally equals its issue price, increased by the amount of any OID that has accrued on the Security and decreased by the amount of any payments previously made on the Security that were not qualified stated interest payments.

Under current law, any gain recognized on the maturity or disposition of a Market Discount Security (including any payment on a Security that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Security. Alternatively, a U.S. Holder of a Market Discount Security may elect to include market discount in income currently over the life of the Security. This election shall apply to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS. A U.S. Holder of a Market Discount Security that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Security that is in excess of the interest and OID on the Security includible in the U.S. Holder's income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Security was held by the U.S. Holder.

Under current law, market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Security with respect to which it is made and is irrevocable.

Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Security using the constant yield method described above under "*Original Issue Discount — General*", with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortizable bond premium (described below under "*Securities Purchased at a Premium*") or acquisition premium. This election will generally apply only to the Security with respect to which it is made and may not be

revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Security is made with respect to a Market Discount Security, the electing U.S. Holder will be treated as having made the election discussed above under "**Market Discount**" to include market discount in income currently over the life of all debt instruments with market discount held or thereafter acquired by the U.S. Holder. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

Variable Interest Rate Securities

Securities that are subject to a contingency or contingencies (other than a remote or incidental contingency) with respect to payments of interest or principal may be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID (such a Security, a "**Variable Interest Rate Security**"). A Security will qualify as a Variable Interest Rate Security if (a) its issue price does not exceed the total non-contingent principal payments due under the Security by more than a specified *de minimis amount*, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "**qualified floating rate**" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Security is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Security (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Security's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless the cap or floor is fixed throughout the term of the Security.

An "**objective rate**" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the relevant Issuer (or a related party) or that is unique to the circumstances of the relevant Issuer (or a related party), such as dividends, profits or the value of the relevant Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the relevant Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Security will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Security's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Security's term. A "**qualified inverse floating rate**" is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Security provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Security's issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "**current value**" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof, then any stated interest on the Variable Interest Rate Security which is unconditionally payable in cash or property (other than debt instruments of the relevant Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof will generally not be treated as having been issued with OID unless the Variable Interest Rate Security is issued at a "true" discount (i.e., at a price below the Security's stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Security arising from "true" discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security.

In general, any other Variable Interest Rate Security will be converted into an "equivalent" fixed rate debt instrument for the purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Security. Such a Variable Interest Rate Security must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Security with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Security's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Security is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security. In the case of a Variable Interest Rate Security that provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Security provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Security as of the Variable Interest Rate Security's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Security is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Security is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Security will account for the OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Security during the accrual period.

If a Security that is subject to a contingency or contingencies (other than a remote or incidental contingency) with respect to payments of interest or principal, such as a Security the payments on which are determined by reference to an index, does not qualify as a Variable Interest Rate Security, then the Security could be treated as a contingent payment debt obligation provided that the Security is properly treated as debt for U.S. federal income tax purposes. See "*Contingent Payment Debt Instruments*" below for a discussion of the U.S. federal income tax treatment of such Securities. In addition, a U.S. Holder of certain Securities that do not qualify as Variable Interest Rate Securities and that are subject to an alternative payment schedule or schedules applicable upon the occurrence of a contingency or contingencies may be required to determine the yield and maturity of the Securities assuming that the payments will be made according to the payment schedule that is most likely to occur if the timing and amounts of the payments that comprise each schedule are known as of the issue date, and one of such schedules is significantly more likely than not to occur.

Short-Term Securities

In general, an individual or other cash basis U.S. Holder of a Short-Term Security is not required to accrue OID (as defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Securities on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale or retirement of the Short-Term Security will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Securities will be required to defer deductions for interest on borrowings allocable to Short-Term Securities in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Security are included in the Short-Term Security's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Security as if the Short-Term Security had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Security. This election shall apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Contingent Payment Debt Instruments

Certain Series or Tranches of Securities may be treated as contingent payment debt instruments ("**Contingent Securities**"), as opposed to Variable Interest Rate Securities, for U.S. federal income tax purposes. Under applicable U.S. Treasury regulations, interest on the Contingent Securities will be treated as OID and must be accrued on a constant-yield basis based on a yield to maturity that reflects the rate at which the relevant Issuer would issue a comparable fixed-rate non-exchangeable instrument (the "**comparable yield**"), in accordance with a projected payment schedule. This projected payment schedule must include each non-contingent payment on the Contingent Security and an estimated amount for each contingent payment, and must produce the comparable yield. Interest inclusions will be adjusted upward and downward to reflect the difference, if any, between the actual payments received and the projected amount of such payments on the Contingent Securities under the projected payment schedule. Special rules apply to the sale or other disposition of a Contingent Security. See "*Purchase, Sale and Retirement of Securities*" below.

The relevant Issuer is required to provide to Holders, solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments on Contingent Securities. This schedule must produce the comparable yield. A U.S. Holder of a Contingent Security can submit a written request for the schedule to the attention of J.P. Morgan Securities Inc. of 383 Madison Avenue, 5th Floor, New York, NY 10179, United States of America, unless the relevant Final Terms provide a different address for submitting requests for this information.

THE COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE WILL NOT BE DETERMINED FOR ANY PURPOSE OTHER THAN FOR THE DETERMINATION OF INTEREST ACCRUALS AND ADJUSTMENTS THEREOF IN RESPECT OF CONTINGENT SECURITIES FOR UNITED STATES FEDERAL INCOME TAX PURPOSES AND WILL NOT CONSTITUTE A PROJECTION OR REPRESENTATION REGARDING THE ACTUAL AMOUNTS PAYABLE TO THE HOLDERS OF THE SECURITIES.

The use of the comparable yield and the calculation of the projected payment schedule will be based upon a number of assumptions and estimates and will not be a prediction, representation or guarantee of the actual amounts of interest that may be paid to a U.S. Holder or the actual yield of the Contingent Securities. A U.S. Holder will generally be bound by the comparable yield and the projected payment schedule determined by the relevant Issuer unless the U.S. Holder determines its own comparable yield and projected payment schedule and explicitly discloses such schedule to the IRS, and explains to the IRS the reason for preparing its own schedule. The relevant Issuer's determination, however, is not binding on the IRS, and it is possible that the IRS could conclude that some other comparable yield or projected payment schedule should be used instead.

A U.S. Holder of a Contingent Security will generally be required to include OID in income pursuant to the rules discussed in the third paragraph under "*Original Issue Discount – General*" above. For these purposes, the "**adjusted issue price**" of a Contingent Security at the beginning of any accrual period is the issue price of the Security increased by the amount of accrued OID for each prior accrual period, and decreased by the projected amount of any payments made on the Security. No additional income will be recognized upon the receipt of payments of stated interest in amounts equal to the annual payments included in the projected payment schedule described above. Any differences between actual payments received by the U.S. Holder on the Contingent Securities in a taxable year and the projected amount of those payments will be accounted for as additional interest (in the case of a positive adjustment) or as an offset to interest income in respect of the Security (in the case of a negative adjustment), for the taxable year in which the actual payment is made. If the negative adjustment for any taxable year exceeds the amount of OID on the Contingent Security for that year, the excess will be treated as an ordinary loss, but only to the extent the U.S. Holder's total OID inclusions on the Security exceed the total amount of any ordinary loss in respect of the Security claimed by the U.S. Holder under this rule in prior taxable years. Any negative adjustment that is not allowed as an ordinary loss for the taxable year is carried forward to the next taxable year, and is taken into account in determining whether the U.S. Holder has a net positive or negative adjustment for that year. However, any negative adjustment that is carried forward to a taxable year in which the Contingent Security is sold, exchanged or retired, to the extent not applied to OID accrued for such year, reduces the U.S. Holder's amount realized on the sale, exchange or retirement.

If a U.S. Holder purchases a Contingent Security for an amount that differs from the Security's adjusted issue price at the time of the purchase, such U.S. Holder must determine the extent to which the difference between the price it paid for the Security and the adjusted issue price of the Security is attributable to a change in expectations as to the projected payment schedule, a change in interest rates, or both, and reasonably allocate the difference accordingly. A safe-harbour may apply to permit the allocation of this difference pro-rata to OID accruals if the Contingent Security is exchange listed property, as defined in applicable U.S. Treasury Regulations.

If a U.S. Holder purchases a Contingent Security for an amount that is less than the adjusted issue price of the Security, the amount of the difference allocated to, a daily portion of OID or to a projected payment is treated as a positive adjustment to such Holder's income inclusion on the date the OID accrues or the payment is made. If a U.S. Holder purchases a Contingent Security for an amount that is more than the adjusted issue price of the Security, the amount of the difference allocated to a daily portion of OID or to a projected payment is treated as a negative adjustment to such U.S. Holder's income inclusion on the date the OID accrues or the payment is made.

Because any Form 1099-OID that a U.S. Holder receives will not reflect the effects of positive or negative adjustments resulting from its purchase of a Contingent Security at a price other than the adjusted issue price determined for tax purposes, U.S. Holders are urged to consult with their tax advisors as to whether and how adjustments should be made to the amounts reported on any Form 1099-OID.

Fungible Issue

The relevant Issuer may, without the consent of the Holders of outstanding Securities, issue additional Securities with identical terms. These additional Securities, even if they are treated for non-tax purposes as part of the same series as the original Securities, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional Securities may be considered to have been issued with OID even if the original Securities had no OID, or the additional Securities may have a greater amount of OID than the original Securities. These differences may affect the market value of the original Securities if the additional Securities are not otherwise distinguishable from the original Securities.

Amortizable Bond Premium

A U.S. Holder that purchases a Security for an amount in excess of its principal amount, or for a Discount Security, its stated redemption price at maturity, may elect to treat the excess as "**amortizable**" within the meaning of section 171 of the Code in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Security will be reduced by the amount of amortizable bond premium allocable (based on the Security's yield to maturity or in

some cases its earlier call date) to that year. Any election to amortize bond premium will apply to all bonds held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS.

Purchase, Sale and Retirement of Securities

A U.S. Holder's tax basis in a Security will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Security and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Security, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium applied to reduce interest on the Security.

A U.S. Holder's tax basis in a Contingent Security will generally be equal to its cost, increased by the amount of OID previously accrued with respect to the Security (determined without regard to any positive or negative adjustments reflecting the difference between actual payments and projected payments), increased or decreased by the amount of any positive or negative adjustment that the U.S. Holder is required to take into account for the difference between such U.S. Holder's purchase price for the Security and the adjusted issue price of the Security at the time of the purchase, and decreased by the amount of any projected payments scheduled to be made on the Security to the U.S. Holder (without regard to the actual amount paid).

A U.S. Holder will generally recognize gain or loss on the sale or retirement of a Security equal to the difference between the amount realized on the sale or retirement and the tax basis of the Security. Except to the extent described above under "*Original Issue Discount — Market Discount*" or "*Original Issue Discount — Short Term Securities*" or described below in relation to Contingent Securities or attributable to accrued but unpaid interest or changes in exchange rates (as discussed below), gain or loss recognized on the sale or retirement of a Security will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Securities exceeds one year. Gain or loss realized by a U.S. Holder on the sale or retirement of a Security generally will be U.S. source.

Gain from the sale or retirement of a Contingent Security will be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total interest inclusions to the date of sale or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realized by a U.S. Holder on the sale or retirement of a Contingent Security will be U.S. source.

Foreign Currency Securities

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Security) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID

OID for each accrual period on a Discount Security that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Security or a sale of the Security), a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Market Discount

Market Discount on a Security that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognize U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognize, upon the disposition or maturity of the Security, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond Premium

Bond premium (including acquisition premium) on a Security that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency. On the date bond premium offsets interest income, a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) measured by the difference between the spot rate in effect on that date, and on the date the Securities were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognize a loss when the Security matures.

Foreign Currency Contingent Securities

General: Special rules apply to determine the accrual of OID, and the amount, timing, and character of any gain or loss on a Contingent Security that is denominated in, or determined by reference to, a foreign currency (a "**Foreign Currency Contingent Security**"). The rules applicable to Foreign Currency Contingent Securities are complex, and U.S. Holders are urged to consult their tax advisers concerning the application of these rules.

Under these rules, a U.S. Holder of a Foreign Currency Contingent Security will generally be required to accrue OID in the foreign currency in which the Foreign Currency Contingent Security is denominated (i) at a yield at which the relevant Issuer would issue a fixed rate debt instrument denominated in the same foreign currency with terms and conditions similar to those of the Foreign Currency Contingent Security, and (ii) in accordance with a projected payment schedule determined by the relevant Issuer, under rules similar to those described above under "*Contingent Payment Debt Instruments*". The amount of OID on a Foreign Currency Contingent Security that accrues in any accrual period will be the product of the comparable yield of the Foreign Currency Contingent Security (adjusted to reflect the length of the accrual period) and the adjusted issue price of the Foreign Currency Contingent Security. The adjusted issue price of a Foreign Currency Contingent Security will

generally be determined under the rules described above, and will be denominated in the foreign currency of the Foreign Currency Contingent Security.

OID on a Foreign Currency Contingent Security will be translated into U.S. dollars under translation rules similar to those described above under "*Foreign Currency Securities – Interest*". Any positive adjustment (i.e. if the U.S. Holder purchases the Security for an amount less than the adjusted issue price, or if the actual payments are greater than the projected payments) in respect of a Foreign Currency Contingent Security for a taxable year will be translated into U.S. dollars at the spot rate on the last day of the taxable year in which the adjustment is taken into account. The amount of any negative adjustment on a Foreign Currency Contingent Security (i.e. if the U.S. Holder purchases the Security for an amount greater than the adjusted issue price, or if the actual payments are less than the projected payments) that is offset against accrued but unpaid OID will be translated into U.S. dollars at the same rate at which such OID was accrued. To the extent a net negative adjustment exceeds the amount of accrued but unpaid OID, the negative adjustment will be treated as offsetting OID that has accrued and been paid on the Foreign Currency Contingent Security, and will be translated into U.S. dollars at the spot rate on the date the Foreign Currency Contingent Security was acquired. Any net negative adjustment carry forward will be carried forward in the relevant foreign currency.

Foreign Currency Exchange Rate Gain or Loss: A U.S. Holder will also recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the receipt of foreign currency in respect of a Foreign Currency Contingent Security. For purposes of determining the amount of exchange rate gain or loss, the amount received is attributed first to any net positive adjustment that has not previously been taken into account, then to accrued but unpaid interest (after reduction by any net negative adjustment that reduces accrued OID or that gives rise to an ordinary loss, and attributed to the most recent period to the extent prior amounts have not already been attributed to such period), and thereafter to principal. Any interest paid in a taxable year in which a net negative adjustment has reduced OID accruing in that year is treated as a payment of principal to the extent of such reduction. Generally, no exchange rate gain or loss is recognized with respect to amounts received that are attributed to a net positive adjustment. The exchange rate gain or loss in respect of amounts attributable to accrued OID will be equal to the difference, if any, between the amount translated into U.S. dollars at the spot rate in effect on the date of receipt and the U.S. dollar value of the accrued OID translated into U.S. dollars at the exchange rate at which the OID was accrued. The exchange rate gain or loss in respect of amounts attributable to principal will be equal to the difference, if any, between the amount translated into U.S. dollars on the spot rate in effect on the date of receipt and the amount translated into U.S. dollars at the spot rate in effect on the date the Security was acquired.

Sale or Retirement

Securities other than Foreign Currency Contingent Securities: As discussed above under "*Purchase, Sale and Retirement of Securities*", a U.S. Holder will generally recognize gain or loss on the sale or retirement of a Security equal to the difference between the amount realized on the sale or retirement and its tax basis in the Security. A U.S. Holder's tax basis in a Security that is denominated in a foreign currency will be determined by reference to the U.S. dollar cost of the Security. The U.S. dollar cost of a Security purchased with foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase or, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the purchase.

The amount realized on a sale or retirement for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale or retirement or, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the sale. Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Security equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Security (or, if less, the principal amount of the Security) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Security. Any such exchange rate gain or loss will be realized only to the extent of total gain or loss realized on the sale or retirement.

Foreign Currency Contingent Securities. Upon a sale, exchange or retirement of a Foreign Currency Contingent Security, a U.S. Holder will generally recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. Holder's tax basis in the Foreign Currency Contingent Security, both translated into U.S. dollars as described below. A U.S. Holder's tax basis in a Foreign Currency Contingent Security will equal (i) the cost thereof (translated into U.S. dollars at the spot rate on the date the Security was acquired), (ii) increased by the amount of OID previously accrued on the Foreign Currency Contingent Security (disregarding any positive or negative adjustments reflecting the difference between actual payments and projected payments and translated into U.S. dollars using the exchange rate applicable to such OID) and (iii) decreased by the projected amount of all prior payments in respect of the Foreign Currency Contingent Security. The U.S. dollar amount of the projected payments described in clause (iii) of the preceding sentence is determined by (i) first allocating the payments to the most recently accrued OID to which prior amounts have not already been allocated and translating those amounts into U.S. dollars at the rate at which the OID was accrued and (ii) then allocating any remaining amount to principal and translating such amount into U.S. dollars at the spot rate on the date the Foreign Currency Contingent Security was acquired by the U.S. Holder. For this purpose, any accrued OID reduced by a negative adjustment carry forward will be treated as principal. The basis is also increased or decreased, as appropriate, to reflect positive or negative adjustments that a U.S. Holder must make to account for the difference between such U.S. Holder's purchase price for the Security and the adjusted issue price of the Security at the time of the purchase. For this purpose, any negative adjustment allocable to OID is translated into U.S. dollars at the rate used to translate the OID being offset, and any negative adjustment applicable to projected payments is translated into U.S. dollars at the spot rate on the date the Foreign Currency Contingent Security was acquired. Also, for this purpose, any positive adjustment applicable to OID is translated into U.S. dollars at the rate used to translate the OID to which it relates (and is treated as an additional accrual of OID under the above rules) and any positive adjustment applicable to a projected payment is translated into U.S. dollars at the spot rate on the date the adjustment is taken into account.

The amount realized by a U.S. Holder upon the sale, exchange or retirement of a Foreign Currency Contingent Security will equal the amount of cash and the fair market value (determined in foreign currency) of any property received. If a U.S. Holder holds a Foreign Currency Contingent Security until its scheduled maturity, the U.S. dollar equivalent of the amount realized will be determined by separating such amount realized into principal and one or more OID components, based on the principal and OID comprising the U.S. Holder's basis, with the amount realized allocated first to OID (and allocated to the most recently accrued amounts first) and any remaining amounts allocated to principal. For this purpose, any amount added to a U.S. Holder's basis to account for the difference between such U.S. Holder's purchase price for the Foreign Currency Contingent Security and the adjusted issue price of the Security at the time of purchase will be translated into U.S. dollars at the same rates at which they were translated for purposes of determining basis. The U.S. dollar equivalent of the amount realized upon a sale, exchange or unscheduled retirement of a Foreign Currency Contingent Security will be determined in a similar manner, but will first be allocated to principal and then any accrued OID (and will be allocated to the earliest accrued amounts first). Each component of the amount realized will be translated into U.S. dollars using the exchange rate used with respect to the corresponding principal or accrued OID. The amount of any gain realized upon a sale, exchange or unscheduled retirement of a Foreign Currency Contingent Security will be equal to the excess of the amount realized over the Holder's tax basis, both expressed in foreign currency, and will be translated into U.S. dollars using the spot rate on the payment date. Gain from the sale or retirement of a Foreign Currency Contingent Security will generally be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total OID inclusions to the date of sale or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realized by a U.S. Holder on the sale or retirement of a Foreign Currency Contingent Security will generally be U.S. source. Investors should consult their tax advisers as to the foreign tax credit implications of the sale or retirement of Foreign Currency Contingent Securities.

A U.S. Holder will also recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Foreign Currency Contingent Security. Generally, this foreign currency exchange rate gain or loss will be determined under the rules discussed above under "*Foreign Currency Contingent Securities – Foreign Currency Exchange Rate Gain or Loss*". However, upon a sale, exchange, or unscheduled retirement of a Foreign Currency Security, the amount received, reduced by any net positive adjustment taken into account on the sale or retirement, is allocated

between principal and accrued OID by applying the amount received first to principal (or in the case of a subsequent purchaser, the purchase price of the instrument in the foreign currency) and thereafter to unpaid OID accrued while the U.S. Holder held the Security.

Disposition of Foreign Currency

Foreign currency received as interest on a Security or on the sale or retirement of a Security will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of a foreign currency (including its use to purchase Securities or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

U.S. Federal Income Tax Treatment of Securities Treated as other than Debt

The following summary may apply to certain Securities that are not treated as debt for U.S. federal income tax purposes, and in particular certain Index Linked Securities and Share Linked Securities. This summary does not discuss all types of Securities that may be treated as other than debt for U.S. federal income tax purposes.

Securities properly characterized as other than debt, depending on their precise terms, may be characterized as options (or collateralised options written or held by the U.S. Holder), as forward contracts (including prepaid forward contracts). A Security that provides for a payment in redemption at maturity and does not provide for a current coupon may be identified as a "Forward Note" in the relevant Final Terms. Such a Security should constitute an option or a forward contract for U.S. Federal income tax purposes. A Security may also be characterized as some other form of derivative financial contract including perhaps, if the Security provides for interim payments, as notional principal contracts or as consisting of a unit comprised of a derivative and a separate interest-bearing deposit that collateralizes a Holder's obligations under that derivative. Alternative characterizations are also possible.

In general, in the case of a Security that does not provide for payments prior to maturity and is properly treated as a forward contract, variable prepaid forward contract or option contract, a U.S. Holder generally should not recognize income until maturity. At maturity, if the Security is physically settled by delivery of the reference property to the Holder, no gain or loss generally would be recognized and the U.S. Holder would have a basis in the property delivered equal to its tax basis in the Security (but the holding period of the property may not include the holding period for the Security). To the extent that the Security is treated as including, in addition to the option or instrument being settled, other additional options that are deemed to lapse, it is possible that some amount attributable to the premium on those other options would be recognized even if no cash premium is stated to be payable to the Holder. Otherwise, gain or loss to a Holder generally would be recognized and determined when the Security is settled based on the difference between the amounts received under the Security and the Holder's tax basis in the Security. Such gain or loss generally would be capital gain or loss. Certain legislative and regulatory proposals intended to address the treatment of income from prepaid derivatives could alter the foregoing treatment of Securities, possibly retroactively. It is not possible to predict whether or when such proposals will be adopted.

A Security that provides not only for a single payment or settlement at maturity but also for interim payments could perhaps be treated as a notional principal contract, or as a unit comprised of an option or forward contract collateralised by an interest bearing deposit, in which case all or a portion of the interim payments may be treated as interest on the deposit. Amounts not treated as deposit interest could still constitute ordinary income. In either case, income could be recognized in advance of maturity as ordinary income rather than taken into account in computing the gain or loss from the Security.

If a Security were treated as a notional principal contract, a U.S. Holder also may also be required to treat as ordinary income, rather than capital gain, payments received pursuant to the terms of the Security at maturity. To the extent the Holder were treated as having made (or received) a "significant nonperiodic payment" under the notional principal contract (for example, a substantial upfront payment), the transaction may be bifurcated under applicable regulations and treated as a separate notional principal contract and a loan. Amounts deemed to be interest on the loan generally would be

characterized as such for most federal income tax purposes. To the extent the Holder were treated as having made (or received) a nonperiodic payment that was not a "significant nonperiodic payment" under the notional principal contract, the nonperiodic payment would generally be amortized into income or as an expense over time with any income being treated as ordinary income and any expense being treated as an ordinary investment expense, which in the case of an individual is treated as a miscellaneous itemized deduction. The deductibility of a miscellaneous itemized deduction is limited for regular tax purposes and denied entirely for alternative minimum tax purposes.

The IRS also has issued proposed regulations governing the treatment of swaps that provide for contingent nonperiodic payments which could alter the timing and character of payments under Securities treated as notional principal contracts. The proposed regulations would generally require taxpayers either to accrue contingent payments under a complex "noncontingent swap method" in advance of receiving the income or, if certain requirements are met, account for the swap on a mark to market basis. The noncontingent swap method and mark-to-market method are not mandated until 30 days after the proposed regulations are finalized. However, the preamble to the proposed regulations states that taxpayers that have not previously adopted a method of accounting for contingent swaps must immediately begin accruing contingent nonperiodic payments under any "reasonable amortization method" (including the noncontingent swap method or the mark-to-market method) and the preamble indicates that the IRS does not consider a "wait and see" method to be reasonable for this purpose. It is unclear when the proposed regulations will be finalized and whether final regulations will differ from the proposed regulations.

Notwithstanding the general discussion above, in the case of a Security that permits the relevant Issuer or Holder to vary the terms, for example by allowing discretionary substitution of reference property, such changes could be deemed to result in a deemed exchange of the Security for a new Security for federal income tax purposes and gain or loss could be recognized in advance of maturity. If a Security is treated as exchanged for a new Security reissued, the characterization of the "new" Security as debt, option, forward agreement, notional principal contract or other derivative financial product may change and the "new" Security may be treated as being issued with original issue discount or bond premium or having significant nonperiodic payments or other nonperiodic payments. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of changes in certain terms of the Securities.

In the case of a Security denominated in a currency other than the United States dollar, all or a portion of the amount recognized may be treated as foreign currency gain or loss. Foreign currency gain or loss recognized by a U.S. Holder (generally, the gain or loss attributable to changes in value of the foreign currency relative to the dollar) would be treated as ordinary income rather than capital gain.

Subject to the foregoing and the special rules discussed below, provided that Security references a Reference Asset that would be a capital asset if held directly by the Holder, gain or loss with respect to the Securities resulting from the settlement of the Security at maturity generally should be capital gain or loss.

Constructive Ownership Transactions

To the extent that a Security is treated as a "constructive ownership transaction," any gain on disposition (or deemed disposition) may be treated as ordinary income and an interest charge may be imposed on a deemed underpayment of tax for each taxable year during which the Security was held. For the purposes of determining the interest charge, gain treated as ordinary income is allocated to each such taxable year during which the Security was held so that the amount of gain accrued from each year to the next increases at a constant rate equal to the "applicable federal rate" (a rate published monthly by the IRS based on prevailing Treasury yields) in effect at the time the Security is issued.

A Security could be treated in whole or in part as a constructive ownership transaction if the issuer of a Reference Asset is treated, for U.S. federal income tax purposes, among others, as any of the following:

- a passive foreign investment company,
- a real estate investment trust,
- a registered investment company,

- a partnership,
- a trust, or
- a common trust fund.

The relevant Issuer does not intend to determine whether the issuers of the Reference Assets in fact fall in any of these categories. Investors should consult their tax advisers regarding the status of the Reference Assets and the application of the constructive ownership transaction rules to ownership of the Security.

To the extent the issuer of a Reference Asset is deemed to be a "passive foreign investment company" and the Security is determined to be an option for purposes of applicable regulations, certain payments received prior to the maturity date of the Security and any gains may be subject to adverse tax treatment under the rules for investments in passive foreign investment companies. In the case of an excess distribution or any gain, (i) the excess distribution or gain is allocated ratably over the U.S. Holder's holding period, (ii) the amount allocated to the current tax year is taxed as ordinary income, and (iii) the amount allocated to each previous tax year is taxed at the highest applicable marginal rate in effect for that year and an interest charge is imposed to recover the deemed benefit from the deferred payment of the tax. These rules also may effectively prevent a U.S. Holder from treating the gain realized on the disposition of the Security as capital gain. A U.S. Holder would not be able to elect to treat such an issuer of a Reference Asset as a qualified electing fund ("**QEF**") in these circumstances to avoid these consequences. The relationship between these rules and the rules for "constructive ownership transaction" is unclear under current law. The relevant Issuer does not intend to determine whether the issuers of the Reference Assets in fact are passive foreign investment companies. Investors should consult their tax advisers regarding the status of the Reference Assets and the application of these rules to ownership of the Security.

Specific Considerations for U.S. Holders of LEPWs

The discussion below addresses LEPWs with a nominal exercise price. The discussion below does not address, among other things, Warrants requiring the payment of a substantial exercise price. The discussion below assumes the relevant Final Terms will provide with respect to the applicable LEPW that the relevant Issuer pay an amount, in redemption of the LEPW, that is determined by reference to the fair market value of the Reference Asset for the LEPW.

Under current law, U.S. Holders should not be required to recognize income or loss upon the acquisition of a LEPW, and (except as provided below) U.S. Holders should not be required to accrue income with respect to a LEPW over the life of the LEPW. Certain legislative and regulatory proposals intended to address the treatment of income from prepaid derivatives could alter the foregoing treatment of Securities, possibly retroactively. It is not possible to predict whether or when such proposals will be adopted.

The U.S. federal income tax characterization of any payments made by the terms of a LEPW prior to its stated maturity date (if any) is unclear. To the extent we are required to do so, we will report such amounts to holders and the IRS as ordinary income. Other characterizations of a LEPW that provides for such amounts are possible that could result in the timing and character of income recognized being different than that described above. U.S. Holders should consult their own tax advisers about the timing and character of income recognized with respect to LEPWs.

A U.S. Holder's tax basis in a LEPW will generally be the LEPW's U.S. Dollar cost. The U.S. Dollar cost of a LEPW purchased with a foreign currency will generally be the U.S. Dollar value of the purchase price on the date of purchase plus the U.S. dollar value of any nominal exercise price paid by the U.S. Holder. A U.S. Holder will recognize gain or loss on the sale or exercise of a LEPW equal to the difference between the amount of cash received upon sale or exercise (generally, determined net of applicable related expenses) and the U.S. Holder's tax basis in the LEPW. Except as provided under the discussion of "constructive ownership transactions" above, any gain or loss recognized on the sale or exercise of a LEPW should be capital gain or loss and should be long-term capital gain or loss if the U.S. Holder's holding period in the LEPW exceeds one year.

To the extent that a LEPW is treated as a "constructive ownership transaction," under the rules discussed above, any gain on disposition (or deemed disposition) may be treated as ordinary income and an interest charge may be imposed on a deemed underpayment of tax for each taxable year during which the LEPW was held.

To the extent the issuer of a Reference Asset is deemed to constitute a passive foreign investment company and the LEPW is determined to be an option for purposes of applicable regulations, certain payments received prior to the maturity date of the LEPW and any gains may be subject to adverse tax treatment under the rules for investments in passive foreign investment companies discussed above. These rules also may effectively prevent a U.S. Holder from treating the gain realized on the disposition of the LEPW as capital gain. The relationship between these rules and the rules for "constructive ownership transaction" is unclear under current law.

Substitution of Issuer

The terms of the Securities provide that, in certain circumstances, the obligations of the relevant Issuer under the Securities may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Securities by a U.S. Holder in exchange for new Securities issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new Securities (as determined for U.S. federal income tax purposes), and the U.S. Holder's tax basis in the Securities. If a Security is treated as reissued, it may, if be treated as being issued with original issue discount or bond premium or having significant nonperiodic payments or other nonperiodic payments. In addition, the characterization of a Security as debt, option, forward agreement, notional principal contract or other derivative financial product may change on account of a substitution of an Issuer. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Securities.

Backup Withholding and Information Reporting

In general, payments of interest and accrued OID on, and the proceeds of a sale, redemption or other disposition of the Securities, payable to a U.S. Holder by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments and to accruals of OID if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders (including, among others, corporations) are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose this participation to the IRS. The scope and application of these rules is not entirely clear. A U.S. Holder that is an individual or trust may be required to treat a foreign currency exchange loss from the Securities as a reportable transaction if the loss exceeds U.S.\$50,000 in a single taxable year (or higher amounts for other U.S. Holders). A penalty in the amount of U.S.\$10,000 for natural persons and U.S.\$50,000 for other persons (increased to U.S.\$100,000 and U.S.\$200,000, respectively, if the reportable transaction is a "Listed transaction") may be imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction that is treated as a reportable transaction. In the event the acquisition, holding or disposition of Securities constitutes participation in a "reportable transaction" for the purposes of these rules, a U.S. Holder may be required to disclose its investment by filing Form 8886 with the IRS. Investors are urged to consult their tax advisers regarding the application of these rules to the acquisition, holding or disposition of Securities.

TAXATION OF NON-U.S. HOLDERS

General

The discussion below only addresses persons that are neither U.S. Holders nor partnerships ("**Non-U.S. Holders**"). The U.S. federal income tax treatment of a partner in a partnership that holds Securities will

depend on the status of the partner and the activities of the partnership. Investors that are partnerships should consult their tax adviser concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Securities by the partnership.

Subject to the discussions below in "*U.S. Withholding on Securities Under the New U.S. Tax Law*," "*U.S. Withholding on Dividend Equivalent Payments*," and "*United States Backup Withholding and Information Reporting*," the relevant Issuer expects that payments on the Securities to a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax, provided that, in the case of payments treated as interest for U.S. federal income tax purposes with respect to Securities with a maturity at issue of more than 183 days and issued by JPMI, JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. (each, a "**U.S. Issuer**"), the following conditions are satisfied such that the interest payments qualify as "portfolio interest:"

- the amount of the payment is not determined by reference to any receipts, sales or other cash flow, income or profits, change in value of any property of, or dividend or similar payment made by the relevant Issuer or a person related to the Issuer (other than, among other things, certain property that is traded on an exchange or interdealer market that satisfies the requirements necessary for the property to qualify as "actively traded property" or property held as a hedging transaction to manage interest rate or currency fluctuations with respect to an Security),
- the Non-U.S. Holder does not actually or constructively own 10 per cent. or more of the total combined voting power of all classes of stock of the relevant Issuer entitled to vote,
- the Non-U.S. Holder is not for U.S. federal income tax purposes a controlled foreign corporation related to the relevant Issuer through stock ownership,
- the Non-U.S. Holder is not a bank receiving interest on an extension of credit pursuant to a loan agreement entered into in the ordinary course of its business; and
- in certain cases (i) the Non-U.S. Holder has provided a properly completed and executed U.S. Internal Revenue Service Form W-8BEN on which it certifies, under penalties of perjury, that it is not a U.S. person, and (ii) in the case of payments made to an intermediary, a properly completed intermediary certification (such as U.S. Internal Revenue Service Form W-8IMY) and any other required documentation has been provided by the intermediary to the relevant Issuer or its paying agent.

Accordingly, except to the extent the Final Terms indicate otherwise and subject to the discussion in the section entitled "GENERAL" above, and the discussions below in "*U.S. Withholding on Securities Under the New U.S. Tax Law*" and "*U.S. Withholding on Dividend Equivalent Payments*," the relevant Issuer generally does not intend to withhold any amounts with respect to payments made to Non-U.S. Holders under the Securities, provided that Non-U.S. Holders provide the relevant Issuer, following a specific reasonable request by the relevant Issuer, a certification on IRS Form W-8BEN or other reasonably requested certification regarding their nationality or identity.

Further, subject to the discussion in the sections entitled "GENERAL" above and the discussions below in "*U.S. Withholding on Securities Under the New U.S. Tax Law*" and "*U.S. Withholding on Dividend Equivalent Payments*," gain realized on the sale, exchange, retirement or other disposition of a Security by a Non-U.S. Holder will generally not be subject to U.S. federal income tax unless (i) such income is effectively connected with a trade or business conducted by the Non-U.S. Holder in the United States, or (ii) the Non-U.S. Holder has or had a current or former relationship with the United States, including a relationship as a citizen or resident thereof or based on an individual's presence in the United States for 183 days or more in the taxable year of the applicable jurisdiction.

Generally, Securities held by an individual who is a Non-U.S. Holder at the time of death will not be subject to U.S. federal estate tax as a result of the individual's death if at the time of the individual's death payments with respect to the Security (i) would not have been effectively connected with a U.S. trade or business of the individual and (ii) in the case of Securities issued by JPMI, JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. and treated as debt for U.S. federal income tax purposes, would qualify as portfolio interest as described above (without regard to the certification requirement specified in the last bullet point). However, it is possible that certain Securities held by a Non-U.S.

Holder at the time of death could be subject to U.S. federal estate tax as a result of the individual's death, unless an applicable estate tax treaty provides otherwise.

U.S. Withholding on Securities under the New U.S. Tax Law

Notwithstanding the general discussion above, if payments on a Security were treated as U.S. source income, such amounts (other than amounts specifically exempted from U.S. withholding, including portfolio interest and interest on certain short-term debt obligations issued by a U.S. Issuer) could be subject to a U.S. withholding tax generally, and under the New U.S. Tax Law described in "*NEW U.S. TAX LEGISLATION*," above, payments, including the proceeds of a sale or redemption, to a non-U.S. entity could be subject to a separate 30 per cent. U.S. withholding tax (which may not be refundable) without regard to the exemptions from U.S. withholding that may otherwise be available (including exemptions for amounts treated as portfolio interest and interest on certain short-term debt obligations issued by a U.S. Issuer).

Dividend Equivalent Payments

Notwithstanding the general discussion above, under recently enacted legislation, payments made on or after September 14, 2010 (i) pursuant to a securities lending transaction, a sale-repurchase transaction or a specified notional principal contract that directly or indirectly are contingent upon, or determined by reference to, the payment of a U.S. source dividend (generally a dividend with respect to a U.S. corporation or a foreign corporation that is engaged in a U.S. trade or business) or (ii) otherwise determined to be substantially similar to a payment described in clause (i) above ("**Dividend Equivalent Payments**"), will be treated as U.S. source dividends and subject to withholding. However, except to the extent the Final Terms indicate otherwise or to the extent such withholding would not be imposed but for the Non-U.S. Holder's failure to enter into an IRS Agreement or otherwise establish an exemption or reduced rate of withholding tax, if any such withholding is imposed on a Security with respect to a Dividend Equivalent Payment, an Issuer will pay the Holder of such Securities Additional Amounts in accordance with General Condition 18.1 (*Obligation to pay Additional Amounts*).

In general a specified notional principal contract is any notional principal contract existing on or after 18 March 2012 (unless exempted under future regulations) or any notional principal contract (i) pursuant to which any long party transfers the underlying security to any short party, (ii) in connection with the termination of which, the short party transfers the underlying security to any long party, (iii) if the underlying security is not readily tradable on an established securities market, (iv) in connection with the execution of which, the underlying security is posted as collateral by any short party with any long party, or (v) that is identified as being a specified notional principal contract. It is unclear whether any of the Securities will constitute a notional principal contract, and if so, whether such a Security would be treated as a specified notional principal contract. In addition, it is unclear whether any Security may be treated as making payments that are specifically identified as being substantially similar to payments that would be subject to these rules.

In addition to the potential for withholding on amounts treated as Dividend Equivalent Payments, if a payment on a Security is treated as a U.S. source dividend or a Security is of a type that could produce U.S. source dividends, such Security will be subject to the New U.S. Tax Law described in "*NEW U.S. TAX LEGISLATION*" above. It is possible that a Security that does not in fact pay any dividends (or any distributions prior to its maturity) could nevertheless be treated as a type of security that could produce U.S. source dividends, and, thus, be subject to the New U.S. Tax Law. In any event, payments treated as U.S. Source dividends (as well as the gross proceeds of a Security that is of the type that could produce U.S. Source dividends) will be subject to withholding under the New U.S. Tax Law unless the Non-U.S. Holder enters into an IRS Agreement or the payments on (and gross proceeds of) the Security are otherwise exempt from such withholding (except to the extent such withholding has been imposed under certain other provisions of the Code). No Additional Amounts will be paid for withholding on a Security under the New U.S. Tax Law if the withholding tax would not have been imposed but for the Non-U.S. Holder's failure or the failure of a foreign withholding agent (if any) in the chain of custody of payments to enter into (and comply with) an IRS Agreement and or otherwise establish an exemption or reduced rate of withholding tax.

United States Backup Withholding and Information Reporting

In the case of a Security issued by JPMSP or JPMBD that is treated as debt and in registered form for U.S. federal income tax purposes, payments of principal, OID, and interest made by a non-U.S. payor (other than a U.S. Controlled Person) outside the United States to a Non-U.S. Holder will not be subject to information reporting or backup withholding. Payments on such Securities made within the United States or by a U.S. Controlled Person may be subject to information reporting and backup withholding. In the case of a Security issued by JPMI, JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. that is treated as debt and in registered form for U.S. federal income tax purposes, payments of principal, OID, and interest to a Non-U.S. Holder will not be subject to information reporting or backup withholding, provided the non-U.S. Holder provides the payer with the applicable certification of foreign status or otherwise establishes an exemption.

Payments of principal, OID and interest on securities treated as debt and in bearer form for U.S. federal income tax purposes to a Non-U.S. Holder by a non-U.S. payor (other than a U.S. Controlled Person) generally will not be subject to information reporting and backup withholding.

Payments on the sale, exchange or other disposition of a Security made to a Non-U.S. Holder by a non-U.S. broker (other than a U.S. Controlled Person) generally will not be subject to information reporting or backup withholding. However, if the broker is a U.S. Controlled Person, payments on the sale, exchange or other disposition of such a security made by such U.S. Controlled Person may be subject to information reporting unless the (i) beneficial owner has furnished the broker with documentation upon which the broker can rely to treat the payment as made to a beneficial owner that is a foreign person or (ii) in the case of a Security in bearer form for U.S. federal income tax purposes that was issued in compliance with the TEFRA D Rules, the payment constitutes retirement of such Security and is made at an office of the U.S. Controlled Person outside the United States and the U.S. Controlled Person is not also acting in its capacity as a custodian, nominee, or other agent of the Holder.

For purposes of this discussion, a "**U.S. Controlled Person**" means (i) a U.S. person (as defined in the Code, and for this purpose includes a foreign branch or office of such person), (ii) a controlled foreign corporation for U.S. federal income tax purposes, (iii) a foreign person 50 percent or more of whose gross income was effectively connected with the conduct of a United States trade or business for a specified three-year period, (iv) a foreign partnership, if at any time during its tax year, one or more of its partners are U.S. persons who, in the aggregate, hold more than 50 percent of the partnership's income or capital interest or if, at any time during its tax year, it is engaged in the conduct of a trade or business in the United States, or (v) a U.S. branch of a foreign bank or a foreign insurance company.

Any amounts withheld under the backup withholding rules may be allowed as a credit against the Holder's U.S. federal income tax liability, and may entitle the Holder to a refund, provided that the required information is furnished to the IRS.

Holders should consult their tax advisors regarding the application of information reporting and backup withholding to their particular situations, the availability of an exemption therefrom, and the procedure for obtaining an exemption, if available.

U.S. TAX CERTIFICATION

The relevant Issuer will not pay or deliver interest or other amounts in respect of any portion of a Temporary Bearer Global Security unless it receives from the relevant depository a tax certificate with regard to the subscribers of the Securities to which such portion of the Temporary Bearer Global Security refers. Also, the Issuer will not exchange any portion of a Temporary Bearer Global Security for a Permanent Bearer Global Security unless and until the relevant Issuer receives from the relevant depository a tax certificate with regard to the subscribers of the Securities to which the portion to be exchanged refers.

In each case, the tax certificate must state that each of the relevant subscriber of a Security:

- i. is not a United States person (defined below);
- ii. is a foreign branch of a United States financial institution purchasing for its own account or for resale, or is a United States person who acquired the security through the foreign branch of

such a financial institution and who holds the Security through such financial institution on the date of certification. In these cases, the financial institution must provide a certificate to either the relevant Issuer or the distributor selling the Security to it stating that it agrees to comply with the requirements of section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, and the Treasury regulations thereunder; or

- iii. is a financial institution holding for purposes of resale during the restricted period as defined in Treasury regulations section 1.163-5(c)(2)(i)(D)(7).

However, a financial institution holding a Temporary Bearer Global Security for purposes of resale during the restricted period (whether or not it is also described in either of the two preceding paragraphs (i) and (ii)) must certify that it has not acquired the security for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

The term "**United States person**" means a beneficial owner of a Security that for United States federal income tax purposes is a citizen or resident of the United States, a corporation or partnership created or organised in or under the laws of the United States or any political subdivision thereof or therein, an estate the income of which is subject to United States federal income taxation regardless of its source, or a trust if it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or it has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person. Reference to the United States means the United States of America, including the states and the District of Columbia and its possessions include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

The tax certificate must be signed by an authorized person satisfactory to the relevant Issuer.

No one who owns a portion of a Temporary Bearer Global Security will receive payment or delivery of any amount or property in respect of its portion, and will not be permitted to exchange its portion for a portion of a Permanent Bearer Global Security or a Security in any form, unless the relevant Issuer or an agent of the Issuer has received the required tax certificate.

No one who owns a beneficial interest in a Finnish Note or Swedish Note will receive payment or delivery of any amount or property in respect of its beneficial interest and will not be permitted to exchange its beneficial interest for a definitive security in bearer form unless the relevant Issuer or an agent of the Issuer has received the required tax certificate as provided in the relevant Final Terms.

Denmark Taxation

Notes and Certificates

The following is a summary description of general Danish tax rules applicable to individual investors and corporate investors resident in Denmark according to the Danish tax laws in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes and Certificates, and does not purport to deal with the tax consequences applicable to all categories of investors. Investors are, under all circumstances, strongly advised to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of the Notes and Certificates. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes and Certificates.

(A) Individual investors resident in Denmark

Notes and Certificates owned by individual investors which are resident in Denmark for Danish tax purposes may fall within four different categories depending on currency, interest rate and adjustment of the principal amount according to certain Reference Assets.

To the extent gains and losses are included in the taxable income of the investor, they will be taxable as capital income.

Capital income is taxed at a rate of up to 51.5 per cent. Income taxable as interest is taxed as capital income in the income year in which it falls due.

On 27 January 2010 the Danish Minister of Taxation submitted bill no. 112 (L112) to the parliament according to which the distinction between Danish currency Notes/Receivables meeting the minimum interest requirement and other notes will be abandoned. If passed in its present form, gains and losses on all Notes/Receivables issued or acquired on or after 27 January 2010 will be included in the taxable income. However, an immateriality threshold will apply to the effect that net gains and losses on Notes/Certificates under (i)-(iii), below DKK 2,000 per year will not be included in the taxable income. The bill is not passed at the date of this Base Prospectus and therefore rules below still apply at the date hereof.

(i) *Notes and Certificates issued in foreign currency*

Gains and losses on Notes and Certificates issued in foreign currency including Euro that are not subject to Section 29, subsection 3 of the Capital Gains Act, are included in the calculation of capital income, in Section 16 of the Capital Gains Act and Section 4 of the Tax Calculation Act.

The Notes and Certificates are taxed upon realisation, i.e. redemption or disposal. Gains and losses are calculated in Danish currency ("**DKK**") as the difference between the acquisition sum and the value at realisation.

If an original issue of Notes and Certificates and a new issue of Notes and Certificates are listed under the same ID code, the acquisition sum for all such Notes and Certificates is calculated on an average basis. Furthermore, if an original and a new issue of Notes and Certificates, issued by the same issuer, are not listed under the same ID code, but denominated in the same foreign currency, the acquisition sum for all such Notes and Certificates is calculated on an average basis, provided that the issues are identical. Issues are as a general rule deemed identical if the currency, interest and term are identical.

Net gains and losses realised by an investor on Notes issued in foreign currency which do not in any given income year exceed an aggregate value of DKK 1,000 are disregarded for Danish tax purposes.

(ii) *Notes and Certificates issued in DKK not fulfilling the minimum interest requirement*

Gains realised on Notes and Certificates issued in DKK that do not fulfil the minimum interest requirement, set out in Section 14 of the Capital Gains Act (currently 2 per cent.) and which are not subject to Section 29, subsection 3 of the Capital Gains Act, are included in the calculation of capital income. Losses realised on such Notes and Certificates are not deductible.

(iii) *Notes and Certificates issued in DKK fulfilling the minimum interest requirement*

Gains on Notes and Certificates issued in DKK that fulfil the minimum interest requirement, set out in Section 14 of the Capital Gains Act (currently 2 per cent.) and are not subject to Section 29, subsection 3 of the Capital Gains Act, are tax exempt. Losses on such Notes and Certificates are not deductible.

(iv) *Notes and Certificates subject to Section 29, subsection 3 of the Capital Gains Act*

Gains on Notes and Certificates that are subject to section 29, subsection 3 of the Act on Capital Gains, see Act No. 407 of 1 June 2005 are included in the calculation of capital income. Losses on such Notes and Certificates can be deducted in gains on financial contracts according to certain rules, see below. The said section 29, subsection 3 can be summarised as follows:

Notes and Certificates that are wholly or partly adjusted according to development in prices and other reference relevant to securities, commodities and other assets, provided that the development can be subject to a financial contract, are taxed according to an inventory-value principle. Certain exceptions apply with respect to Notes and Certificates adjusted due to currency or according to the development of certain official indexes within the European Union (the "**EU**").

The Notes and Certificates falling into this category are taxed on an annual basis according to an inventory-value (mark-to-market) principle as opposed to the realisation principle.

A gain or a loss is calculated as the difference between the value of the Note or Certificate at the beginning and the end of the income year, beginning with the difference between the acquisition sum of the Note or Certificate and the value of Note or Certificate at the end of the same income year. Upon realisation of the Note or Certificate, i.e. redemption or disposal, the taxable income of that income year equals the difference between the value of the Note or Certificate at the beginning of the income year and the value of the Note or Certificate at realisation. If the Note or Certificate has been acquired and realised in the same income year, the taxable income equals the difference between the acquisition sum and the value at realisation.

A loss can only be deducted to the extent the loss does not exceed the net gains on financial contracts in previous income years. Financial contracts comprise put options, call options and forward contracts separately taxable and claims taxable as financial contracts, in Section 29, subsection 3 of the Capital Gains Act, excluding claims where the first creditor has acquired the claim before 4 May 2005. A further loss can be deducted in the net gains of financial contracts of the same income year and carried forward for the net gains of financial contracts of the following income years. Losses that exceed the net gains of previous income years and the same income year may generally be set off against net gains of a spouse of the same income year and may be set off against net gains of a spouse in following income years, if the exceeding loss cannot be deducted in net gains of the individual of the income year in question.

Individual investors who are subject to the special business tax regime ("*Virksomhedsskatteordningen*") may invest in the Notes and Certificates within the said tax regime, in Section 1, subsection 2 of the Business Tax Regime Act ("*Virksomhedsskatteoven*"). Gains and losses on Notes and Certificates that are deemed to have relation to the business are included when calculating the annual taxable income of the business. A gain or a loss is calculated according to the abovementioned rules. Income taxable as interest is taxed in the income year in which it accrues. Gains and interest that form part of an annual profit that remains within the tax regime, set out in Section 10, subsection 2 of the Business Tax Regime Act is subject to a provisional tax of currently 25 per cent..

(B) *Pension funds*

Notes and Certificates comprised by the descriptions under items (i) – (iv) above, and subject to the Act on Pension Yield ("*Pensionsafkastbeskatningsloven*") are taxed according the inventory-value principle, (see also (d) above). Gains and losses and any income taxable as interest are included when calculating the annual taxable income. The tax rate is 15 per cent..

(C) *Corporate investors resident in Denmark*

Gains and losses on Notes and Certificates are included in the calculation of taxable income. The current tax rate is 25 per cent.. Income taxable as interest is taxed in the income year in which it accrues.

A gain or a loss is calculated as the difference between the value of the Note or Certificate at the beginning and the end of the income year, beginning with the difference between the acquisition sum of the Note or Certificate and the value of Note or Certificate at the end of the same income year. Upon realisation of the Note or Certificate, i.e. redemption or disposal, the taxable income of that income year equals the difference between the value of the Note or Certificate at the beginning of the income year and the value of the Note or Certificate at realisation. If the Note or Certificate has been acquired and realised in the same income year, the taxable income equals the difference between the acquisition sum and the value at realisation.

Corporate investors holding Notes or Certificates that are wholly or partly adjusted in accordance with developments in prices of securities, commodities and other assets which can be made subject to a derivative may not be entitled to deduct losses on such Notes or Certificates when linked to certain types of shares or share indices, and the Notes or Certificates are not held in a professional trading capacity.

Warrants

The following is a summary description of general Danish tax rules applicable to individual investors and corporate investors resident in Denmark according to the Danish tax laws in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application

thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Warrants, and does not purport to deal with the tax consequences applicable to all categories of investors. Investors are, under all circumstances, strongly advised to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of the Warrants. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Warrants.

Taxation of warrants in general

Warrants are considered as financial instruments. Under Danish law, financial instruments including call and put options are governed by the Act on Capital Gains ("*Kursgevinstloven*"). Basically, this entails that gains and losses on the financial instruments (including any premium paid or received) are taxed separately from the underlying asset.

Certain financial instrument, including rights to subscribe for, purchase or sell shares, are however excluded from the Act on Capital Gains and are taxed in accordance with the rules applying to shares. The Act on Capital Gains does not apply with respect to a right to purchase or sell shares, provided:

- that the financial contract may only be exercised against the actual delivery of the underlying asset in question (and thus not settled on cash or otherwise);
- that the financial contract is not assigned, i.e. the parties to the financial contract agreement remain the same; and
- that no "reverse financial contracts" have been entered into.

The delivery requirement entails that the entire underlying asset is delivered at maturity. A net share settlement where the amount owed under the financial contract is fulfilled by delivery of the requisite number of shares does not therefore qualify as a "delivery".

A significant change to the contract made after conclusion and prior to maturity would be deemed an assignment. An extension at maturity or early unwinding could well be deemed a significant change.

"Reverse financial contracts" are defined as two (or more) contracts where a particular asset is purchased pursuant to one or more contracts and is subsequently sold by the same party pursuant to one or more contracts. From the preparatory work leading to the Act (1997) it may be derived that the crucial point is whether the same party holds both a put and call option. In the affirmative, the put and call are deemed reversed. If one party has a put option and the other a call option, this would not qualify as a reverse situation.

If the three conditions above are fulfilled, the financial contract is not taxed separately as a financial instrument but instead is taxed in connection with the taxation of the underlying asset.

(A) Individual investors resident in Denmark

If the Warrants are not exempted from taxation according to the rules described under taxation of warrants in general, the taxable income from the Warrants will be determined on the basis of the inventory-value (mark-to-market) principle. This implies that the taxable gains/losses on the Warrants will be determined at year-end on the basis of the market value of the Warrants at year-end. The taxable gains/losses so determined will be included in the taxable income for that year (as opposed to taxation at realisation).

A loss can only be deducted to the extent the loss does not exceed the net gains on financial contracts in previous income years. Financial contracts comprise put options, call options and forward contracts separately taxable and claims taxable as financial contracts, in Section 29, subsection 3 of the Capital Gains Act, excluding claims where the first creditor has acquired the claim before 4 May 2005. A further loss can be deducted in the net gains of financial contracts of the same income year and carried forward for the net gains of financial contracts of the following income years. Losses that exceed the net gains of previous income years and the same income year may generally be set off against net gains of a spouse of the same income year and may be set off against net gains of a spouse in following

income years, if the exceeding loss cannot be deducted in net gains of the individual of the income year in question.

(B) *Pension funds*

Warrants subject to taxation according to the Act on Pension Yield ("*Pensionsafkastbeskatningsloven*") are taxed according to the inventory-value (mark-to-market) principle. Gains and losses and any income are included when calculating the annual taxable income. The tax rate is 15 per cent.

(C) *Corporate investors resident in Denmark*

If the Warrants are not exempted from taxation according to the rules described under taxation of warrants in general, the taxable income from the Warrants will be determined on the basis of the inventory-value (mark-to-market) principle. This implies that the taxable gains/losses on the Warrants will be determined at year-end on basis of the market value of the Warrants at year-end. The taxable gains/losses so determined will be included in the taxable income for that year (as opposed to taxation at realisation). Tax losses on the Warrants may be utilised for offset by against similar and other sources of taxable income. However, corporate investors not holding Warrants in a professional trading capacity may not be able to deduct losses on Warrants which are adjusted in accordance with certain types of shares or share indices.

Wealth taxation

No wealth taxation is applicable in Denmark.

Transfer tax

Transfers of the Notes, Certificates and Warrants are not subject to transfer tax or stamp duty in Denmark.

Withholding tax

When the Issuer is not a Danish tax resident person, Denmark does not levy withholding tax on payments on the Warrants, Notes or Certificates.

Danish implementation of the EU Savings Tax Directive

By virtue of sec. 8X of the Danish Tax Control Act, Denmark has implemented the EU Savings Tax Directive. The EU Savings Tax Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual in another Member State when. If the Paying Agent is a Danish tax resident entity, information regarding interest payments to physical persons may therefore be reported to the tax authorities in other Member States.

The European Union Council Directive on the Taxation of Savings Income (the EU Savings Tax Directive)

This tax section deals with certain tax issues arising from the EU Savings Tax Directive which may be relevant to an investment in the Securities.

Under EU Savings Tax Directive on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain other residential entities of that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries, and certain dependent or associated territories of certain Member States including Jersey, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within

its jurisdiction to, or collected by such a person for, an individual resident or certain other residual entities of a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain other residual entities of those territories.

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Tax Directive, which included the Commission's advice on the need for changes to the EU Savings Tax Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Tax Directive, which included a number of suggested changes with a view to closing existing loopholes and better preventing tax evasion. If any of those proposed changes are made in relation to the EU Savings Tax Directive, they may amend or broaden the scope of the requirements described above.

Finland Taxation

The following is a summary of certain Finnish tax consequences for holders of the Securities who are residents of Finland for tax purposes. The summary addresses, briefly, also the information obligations of a Relevant Programme Agent located in Finland. The summary is based on tax laws and taxation practice, as in effect and applied as at the date of this Base Prospectus and is intended to provide general information only. Tax laws, taxation practices and their interpretation are constantly under change, which changes may sometimes have a retroactive effect and may change the conclusions set out in the summary.

The tax treatment of certain categories of the Securities is not in all respects established and is, therefore, to some extent uncertain. In particular, there are no specific tax laws addressing the tax treatment of warrants in Finland, nor is there any court practice available in this respect.

The summary covers only the tax consequences of the subscription, purchase, ownership and disposal of Securities by individuals who are taxed in accordance with the Finnish Income Tax Act and by Finnish limited liability companies taxed in accordance with the Finnish Business Income Tax Act. The summary does not cover situations where individuals hold the Securities in the context of business activities or where the Securities are held as current assets (i.e. allocable to the inventory or otherwise held for trading purposes) or as investment or financial assets by a limited liability company or where there are unrealised changes in the values of the Securities. This summary addresses neither Finnish gift nor inheritance tax consequences nor Finnish CFC-legislation. The tax treatment of each holder of the Securities partly depends on the Holder's specific situation. This means that special tax consequences, which are not described below, may arise for certain categories of holders of the Securities as a consequence of, for example, the effect and applicability of foreign income tax rules or provisions contained in an applicable double taxation treaty.

Each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from subscription, purchase, ownership and disposition of the Securities.

Individuals

Disposal and/or redemption of the Notes and/or the Certificates

All capital income of individuals – including capital gains – is currently taxed at a flat rate of 28 per cent.. Capital losses are deductible from capital gains arising in the same year and the three following years, but not from other capital income.

A gain arising from the disposal of the Notes and/or the Certificates (other than the redemption thereof) constitutes capital gain for individuals. Upon the disposal of interest-bearing Notes and/or Certificates, an amount corresponding to the interest for the time preceding the last interest payment date to the time of disposal of such Notes and/or the Certificates must normally first be deducted from the sales price, which amount is deemed to constitute capital income (but is not treated as capital gain).

A gain arising from the redemption of the Notes and/or the Certificates constitutes capital income, but is likely not to be treated as capital gain. Accordingly, as capital losses are not deductible from other capital income than capital gains, it is unlikely that capital losses from other investments would be deductible from any gain realised at the redemption of the Notes and/or the Certificates.

A loss from the disposal of the Notes and/or the Certificates is deductible from capital gains from other investments arising during the year of disposal and the three subsequent years and a loss from redemption of the Notes and/or the Certificates is likely to be deductible from capital gains from other investments arising during the year of redemption and the three subsequent years.

Any capital gain or loss is calculated by deducting the original acquisition cost (including the purchase price and costs) and sales related expenses from the sales price. Alternatively, individuals may, in lieu of applying the actual acquisition costs, choose to apply a so-called presumptive acquisition cost, which is equal to 20 per cent. of the sales price or 40 per cent. of the sales price if the Notes and/or the Certificates have been held for at least ten years. If the presumptive acquisition cost is used instead of the actual acquisition cost, any sales expenses are deemed to be included therein and may, therefore, not be deducted in addition to the presumptive acquisition cost.

Notwithstanding any of the above, Certificates that could be held comparable to Warrants are likely to be taxed similarly to Warrants.

Interest or compensation comparable to interest paid on Notes and/or Certificates

Any interest or compensation comparable to interest paid on the Notes and/or the Certificates during their respective loan period constitutes capital income of the individual.

Advance tax withholding

Any interest or compensation comparable to interest on the Notes and/or the Certificates, including any deemed interest upon the disposal of the Notes and/or the Certificates, and any gain on the redemption of the Notes and/or the Certificates is subject to an advance tax withholding by the Finnish Programme Agent at the rate of 28 per cent.. Such advance tax withholding will be used for the payment of the individual's final taxes.

Disposal, redemption and/or expiration of the Warrants

A gain arising from the disposal of the Warrants is therefore likely to constitute capital gain for individuals. Any capital gain or loss arising from the disposal of the Warrants is, accordingly, calculated in the same manner as for the Notes and/or Certificates.

A gain arising from the redemption of the Warrants (i.e. the realisation of the net value through cash settlement), is likely to constitute a capital gain. Similarly, a loss arising from the expiration (as worthless) of the Warrants is likely to constitute a capital loss, which capital loss is deductible from the individual's capital gains arising in the same year and during the following three years.

Exercise of the Warrants by physical delivery of the underlying (third party) Reference Asset is likely to be treated as a disposal and purchase.

Exceptions to capital gains and losses

Capital gains arising from disposal of assets, such as the Securities, are generally exempted from tax provided that the sales prices of all assets sold by the individual during the calendar year do not, in the aggregate, exceed EUR 1,000. Correspondingly, capital losses are generally not tax deductible if the acquisition cost of all assets disposed during the calendar year does not, in the aggregate, exceed EUR 1,000.

Corporate entities

Disposal and/or redemption of the Notes and/or the Certificates

Any income received from the disposal and/or redemption of the Notes and/or the Certificates (including capital return) constitutes, as a general rule, part of the limited liability company's taxable business income. A limited liability company is subject to a corporate income tax, currently at the rate of 26 per cent. for its world wide taxable income.

The acquisition cost of the Notes and/or the Certificates (including the purchase price and costs) and any sales related expenses are generally deductible for tax purposes upon disposal or redemption.

Accordingly, any loss due to disposal or redemption of the Notes and/or the Certificates is deductible from the taxable business income.

Interest or compensation comparable to interest paid on the Notes and/or the Certificates

Any interest or compensation comparable to interest paid on the Notes and/or the Certificates during their respective loan period constitutes part of the limited liability company's taxable business income.

Disposal and/or redemption of the Warrants

Any income received from the disposal and/or redemption of the Warrants constitutes part of the limited liability company's taxable business income and is taxed as set out above in respect of disposal and/or redemption of the Notes and/or the Certificates.

Exercise of the Warrants by physical delivery of the underlying (third party) Reference Asset is likely to be treated as a disposal and purchase.

Withholding tax

Payment of redemption gain (if any) or interest on the Notes and/or the Certificates to a limited liability company will not be subject to any Finnish withholding tax.

Wealth taxation

No wealth taxation is applicable in Finland.

Transfer Tax

Transfers of the Securities are not subject to transfer tax or stamp duty in Finland.

Finnish implementation of the EU Savings Tax Directive

Finland has implemented the EU Savings Tax Directive. Under Finnish tax laws, a Finnish Paying Agent must report to the Finnish tax authorities, *inter alia*, interest payments within the scope of the EU Savings Tax Directive and the beneficial owner of such interest.

Republic of France Taxation

The following discussion is a summary of certain material French tax considerations relating to (i) Securities issued by any of the Issuers where the Holder is tax resident in France or has a tax presence in France or (ii) Securities held through a Paying Agent or custodian located in France.

This information is of a general nature and does not purport to be a comprehensive description of all French tax considerations that may be relevant to a decision to acquire, to hold and to dispose of the Notes, Certificates and Warrants. In some cases, different rules can be applicable, depending, in particular, on the characterisation of the Securities for French tax purposes.

Furthermore, the tax rules can be amended in the future, possibly implemented with retroactive effect, and the interpretation of the tax rules may change. This summary is based on the French tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this offer in France, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

Each potential Holder of a Note, a Certificate or a Warrant should consult a professional adviser with respect to the tax consequences of an investment in the Notes, Certificates and Warrants, taking account in particular of the potential Holder's own individual situation.

Investment in the Notes and Certificates (other than Certificates which would be classified as Warrants for French tax purposes)

Investors residing in France

Taxation of individuals

Taxation of capital gains

Capital gains derived from the disposal of the Notes and Certificates are subject to capital gains tax at the rate of 18 per cent. plus 12.1 per cent. social contributions (i.e. a global rate of taxation of 30.1 per cent.).

However, gains realised in a given calendar year are only subject to capital gains tax if the total proceeds of sales of securities realised by the taxpayer and his/her household exceed a certain threshold in such year (but social contributions remain due). For 2010, the threshold is EUR 25,830.

If the investor sells Notes or Certificates at a loss, such loss may be offset against capital gains of the same nature during the year of the loss or the ten following years, subject to filing obligations and provided, in relation to capital gains tax, that the above sales threshold (i.e. currently EUR 25,830) was exceeded in the year in which the loss was realised.

The Notes and the Certificates are not eligible for the *plan d'épargne en actions* ("PEA").

Taxation of interest payments and redemption premium (Prime de remboursement)

Interest and redemption premiums paid to an individual are taxed according to the standard progressive income tax schedule, whose top rate is currently 40 per cent. The above-mentioned social contributions of 12.1 per cent. are also due.

However, when the Issuer of the Notes or Certificates and the Paying Agent are established in the European Union, Iceland or Norway, the individual has the possibility, subject to certain conditions, to elect to be subject to a final withholding tax levied at the rate of 18 per cent., plus the above social contributions of 12.1 per cent. (i.e. 30.1 per cent. in aggregate).

When the Paying Agent is French or acting through a French establishment in France, it is responsible for making the withholding. If acting from an EU Member State other than France (or from Iceland or Norway), the Paying Agent is in principle not involved in any French withholding tax obligation except where it is especially appointed by the beneficiary of the income to do so.

Taxation of companies subject to French corporate income tax

Taxation of capital gains

Capital gains from the disposal of the Notes and Certificates are subject to corporate income tax at the standard rate of 33 1/3 per cent. (or the reduced rate applicable to small companies where the relevant conditions are met), to which a 3.3 per cent. surtax is added in certain circumstances. Capital losses are in principle treated as ordinary losses which may be set off against operational profits and any remaining balance carried forward in accordance with standard rules (i.e. unlimited carry forward, in principle).

Taxation of interest payments and bond redemption premium (Prime de remboursement)

Interest payments and redemption premiums are taxed at the above-mentioned standard corporate income tax rate (or the reduced rate applicable to small companies where the relevant conditions are met) on the basis of accrued interest.

However, if the estimated value of the redemption premium exceeds purchase value by 10 per cent. and the issue price is less than 90 per cent. of the estimated redemption value, the taxation of this premium is spread over the life of the instrument, even though this premium is only collected on disposal or redemption on maturity.

Investors residing abroad

Taxation of capital gains

In principle, capital gains realised by non-resident individuals or companies upon the sale or disposal of the Notes and Certificates are not subject to capital gains tax in France. Exceptions apply, for example, where the Notes and Certificates are booked in a French permanent establishment or fixed base.

Taxation of interest payments and bond redemption premium (Prime de remboursement)

All payments of interest as well as bond redemption payment made under the Notes and Certificates should be free of withholding tax or deduction, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed in France, as long as the Issuer is not incorporated or otherwise acting through a French permanent establishment.

Investment in the Warrants

Investors residing in France

Taxation of individuals

According to the French tax authorities, profits derived by non-professional individuals from the sale or exercise of Warrants ("*bons d'options*" or assimilated instruments) listed outside France are deemed to be realised outside France and, therefore, are taxed according to the standard progressive income tax schedule, whose top rate is currently 40 per cent., the above social contributions of 12.1 per cent. being also due. Losses may only be set off against profits of the same nature realised during the year or during one of the six following years. Income tax at the rate of 18 per cent. plus the 12.1 per cent. social contributions may apply to similar profits realised in France, provided the individual does not act on an habitual basis.

Professionals may elect for taxation of profits as commercial profits (*bénéfices industriels et commerciaux* or "*BIC*"), also taxed as ordinary income (i.e. according to the above standard progressive income tax schedule, whose top rate is currently 40 per cent., to which the above-mentioned social contributions of 12.1 per cent. should be added), but here losses may be set off against his/her global ordinary income realised during the year or during one of the six following years.

The Warrants are not eligible for the *plan d'épargne en actions* (PEA).

Taxation of companies subject to French corporate income tax

Profits of any kind derived from the Warrants are subject to corporate income tax at the standard rate of 33 1/3 per cent. (or the reduced rate applicable to small companies where the relevant conditions are met), to which a 3.3 per cent. surtax is added in certain circumstances. Losses are in principle treated as ordinary losses which may be set off against operational profits and any remaining balance carried forward in accordance with standard rules (i.e. unlimited carry forward, in principle). Mark-to-market rules may impact timing of recognition of the profit or loss.

Investors residing abroad

In principle, profits of any kind derived from the Warrants by non resident individuals or companies are not subject to taxation in France, provided that the Warrants are not booked in a permanent establishment or a fixed base they have in France.

French Implementation of the EU Savings Tax Directive

The EU Savings Tax Directive has been implemented in French law under article 242 ter of the French *Code Général des Impôts*. These provisions impose on paying agents based in France an obligation to report to the French tax authorities, certain information with respect to interest payments made to beneficial owners (individuals or certain entities) domiciled in another Member State (or certain territories), including, among other things, the identity and address of the beneficial owner and a

detailed list of the different categories of interest (within the meaning of the EU Savings Tax Directive) paid to that beneficial owner.

Germany Taxation

The following discussion is a summary of certain material German tax considerations relating to Securities issued by any of the Issuers in particular where the Holder is tax resident in Germany or has a tax presence in Germany or (ii) Securities held through a disbursing agent located in Germany. It is based on the laws in force on the date of this Base Prospectus, of general nature only and neither intended as, nor to be understood as, legal or tax advice. Any information given hereafter reflects the opinion of the Issuer and must not be misunderstood as a representation or guarantee with regard to potential tax consequences. Further, each Issuer advises that the tax consequences depend on the individual facts and circumstances at the level of the investor and may be subject to future changes in law.

German tax resident private investors

General

Interest payments on Securities held by German resident private investors (i.e. private individuals whose residence or habitual abode is located in Germany) are generally subject to income tax at a flat tax rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax). Interest payments made in a currency other than Euro have to be converted into Euro upon accrual.

The flat tax regime also applies to capital gains from the sale or redemption of the Securities held by German resident private investors. Losses from the sale or redemption of the Securities can only be offset against other investment income within the meaning of the flat tax regime. In the event that an off-set is not possible in the assessment period in which the losses have been realised, such losses will be carried forward into future assessment periods only and can be off-set against investment income generated in future assessment periods.

Capital gains and losses are determined by the difference between the sales/redemption proceeds after the deduction of expenses directly connected to the sale/redemption and the acquisition costs of the Securities. If the Securities are denominated in a currency other than Euro, the sales/redemption proceeds and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale or redemption date and the acquisition date respectively.

Gains from the redemption of the Securities should even be subject to the flat tax regime where the Securities provide for a partial or exclusive physical settlement. However, if the Securities are redeemed against delivery of a specific number of securities determined in advance under certain circumstances, the redemption should in principle not result in a taxable capital gain or loss, as in this case, the acquisition costs of the Securities should be rolled into the acquisition costs of the delivered securities.

The taxation principles outlined above should as a rule also apply to gains from the sale of Securities in the form of Warrants, and - in the case of a cash settlement - to gains from the exercise of such Warrants. The exercise of physically settled Warrants, however, should not result in a taxable gain or loss. The acquisition costs of the Warrants should rather be rolled into the acquisition costs of the delivered underlyings. A loss from the worthless expiry of Warrants should not be deductible for German taxation purposes.

Withholding Tax

For German resident private investors, the flat tax liability on interest payments on the Securities is generally levied by way of withholding tax, provided that the Securities are held in custody with a German custodian, who is required to deduct the withholding tax from such interest payments (the "**Disbursing Agent**"). For withholding tax purposes, interest payments made in a currency other than Euro have to be converted into Euro upon accrual.

Disbursing Agents are German resident credit institutions, financial services institutions (including German permanent establishments of foreign institutions), securities trading companies or securities

trading banks. The applicable withholding tax rate is 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and (if applicable) church tax).

The withholding tax regime should also apply to any gains from the sale or redemption of Securities realised by private investors holding the Securities in custody with a Disbursing Agent. If the Securities are denominated in a currency other than Euro, currency gains / losses are also accounted for as gains from the sale or redemption of the Securities. In principle, gains from the redemption of the Securities are even subject to the withholding tax regime where the Securities provide for a partial or exclusive physical settlement. In this case, if the cash amount paid upon redemption (if any) is not sufficient to cover the withholding tax due on redemption, the investor in the relevant Securities is obliged to provide the Disbursing Agent with sufficient funds to comply with its withholding tax obligations. However, if the Securities are redeemed against delivery of a specific number of securities determined in advance under certain circumstances, there should in principle be no obligation to deduct withholding tax.

The withholding tax principles outlined above should also apply to gains from the sale of Securities in the form of Warrants. In the case of an exercise, however, only cash settled Warrants should be subject to the withholding tax regime, whereas the exercise of physically settled Warrants should as a rule not result in any withholding tax consequences.

For private investors, the withholding tax is generally definitive (i.e. in principle, there will be no further income tax liability on investment income from which withholding tax was deducted and the investor is not required to declare such income in its tax return). In the case of investment income which is not subject to the withholding tax regime, a special flat tax assessment procedure applies, i.e. the investor has to declare the income in its tax return and is taxed at the flat tax rate in accordance with the flat tax principles outlined above. This applies *mutatis mutandis* in the case that church tax (although due) is not levied by way of the withholding tax. Finally, the special flat tax assessment procedure applies upon request of the investor, provided that further pre-requisites are met. Private investors having a lower personal income tax rate may, upon application, also include the investment income in their general income tax return to achieve a lower tax rate.

The Issuer of the Securities – unless it qualifies as Disbursing Agent - should under German law not be required to deduct withholding tax (*Quellensteuer*) from the proceeds of the investment in the Securities.

German tax resident business investors

Interest payments under the Securities and capital gains from the sale or redemption of the Securities are subject to income tax or corporate income tax as well as solidarity surcharge (and in the case of individuals, if applicable, church tax). In addition, trade tax is levied to such income, if the Securities are held as assets of a German business. Losses should (subject to certain restrictions) be tax deductible.

The withholding tax regime outlined above should apply *mutatis mutandis* to business investors. However, German corporate investors and other investors holding the Securities as assets of a German business should in essence not be subject to the withholding tax on gains from the sale/redemption or exercise of the Securities (i.e. for these investors only interest payments, but not gains from the sale/redemption or exercise of the Securities are subject to the withholding tax regime).

Any withholding tax imposed is credited against the investor's (corporate) income tax liability (and the solidarity surcharge as well as, if applicable, church tax) in the course of the tax assessment procedure, i.e. the withholding tax is not definitive. Any potential surplus of the withholding tax over the (corporate) income tax will be refunded.

Foreign tax resident investors

Foreign resident investors should not be taxable in Germany with the interest payments on and the gains from the sale or redemption (or, respectively, exercise) of the Securities and no German withholding tax should be withheld from such income. This should hold true, even if the Securities are held in custody with a German custodian. Exceptions apply, for example, where the Securities are held as business assets of a German permanent establishment.

Treatment under the Investment Tax Act

The Issuer takes the view that the special provisions of the Investment Tax Act (*Investmentsteuergesetz*) are not applicable to the Securities.

German implementation of the EU Savings Tax Directive

The EU Savings Tax Directive has been implemented in Germany by the decree on the taxation of interest income (*Zinsinformationsverordnung*) which applies from 1 July 2005 onwards. Pursuant to the decree, a domestic paying agent (within the meaning of the decree) is required to provide to the Federal Tax Office (*Bundeszentralamt für Steuern*) details of the payment of interest made to any individual resident in another EU Member State as the beneficial owner of the interest. The Federal Tax Office is then required to communicate this information to the competent authority of the other EU Member State of which the beneficial owner of the interest is a resident.

Investors are recommended to consult their own tax advisors as to the individual tax consequences arising from the investment in the Securities

Italian Taxation

The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Investors in the Securities are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Securities. The following analysis is a summary of certain material Italian tax considerations relating to (i) Securities issued by any of the Issuers where the investor is tax resident in Italy or the investment is related to an Italian permanent establishment or (ii) Securities are deposited with or any payment of interest and proceeds is made through a Paying Agent, custodian or intermediary located in Italy.

Tax treatment of the Notes

Legislative Decree No. 239 of 1 April 1996, as subsequently amended, (the "**Decree No. 239**") provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers.

Where the Notes have an original maturity of at least 18 months and the Italian resident Holder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the *risparmio gestito regime* – see "Capital Gains Tax" below), (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as *imposta sostitutiva*, levied at the rate of 12.50 per cent. In the event that the Holders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Where an Italian resident holder of a Note is a company or similar commercial entity or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected and the Notes are deposited with an authorised intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Holder's income tax return and are therefore subject to general Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Holder, also to IRAP - the regional tax on productive activities).

Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into law with amendments by Law No. 410 of 23 November 2001, as clarified by the Italian Ministry of Economics and Finance through Circular No. 47/E of 8 August 2003, payments of interest in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of

Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to substitute tax nor to any other income tax in the hands of a real estate investment fund. However, Law Decree No. 112 of 25 June 2008, converted with amendments into Law No. 133 of 6 August 2008, has introduced a 1 per cent. property tax applying on real estate investment funds' net value, where (i) their units are not expected to be listed on regulated markets and (ii) their equity is less than € 400,000,000, if: (a) there are less than ten unitholders, or (b) funds are reserved to institutional investors or are speculative funds and their units are held, for more than two-thirds, by individuals, trusts or other companies referable to individuals.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (the "**Fund**") or a SICAV, and the Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on the Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund accrued at the end of each tax period, subject to an ad-hoc substitute tax applicable at a 12.50 per cent. rate.

Where an Italian resident holder of a Note is a pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, interest, premium and other income relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 11 per cent. substitute tax.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, Italian investment firms (*società d'intermediazione mobiliare*) (SIMs), fiduciary companies, Italian asset management companies (*società di gestione del risparmio*) (SGRs), stockbrokers and other entities identified by a decree of the Ministry of Economics and Finance (each an "**Intermediary**").

An Intermediary must (i) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary and (ii) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a holder of a Note.

If the Notes are issued for an original maturity of less than 18 months, the *imposta sostitutiva* applies at the rate of 27 per cent.. The 27 per cent. *imposta sostitutiva* is also applied to any payment of interest or premium relating to the Notes made to (i) Italian pension funds, (ii) Italian funds and (iii) Italian investment companies with variable capital (*società d'investimento a capitale variabile*) SICAVs.

Early Redemption

Without prejudice to the above provisions, in the event that Notes having an original maturity of at least 18 months are redeemed, in full or in part, prior to 18 months from their issue date, Italian resident holders of Notes will be required to pay, by way of a withholding to be applied by the Italian intermediary responsible for payment of interest or the redemption of the Notes, an amount equal to 20 per cent. of the interest and other amounts accrued up to the time of the early redemption.

Atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) may be subject to a withholding tax, levied at the rate of 27 per cent.. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay an amount not lower than their nominal value.

The 27 per cent. withholding tax mentioned above does not apply to interest payments made to a non-Italian resident holder of Notes and to an Italian resident holder of Notes which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

Non-Italian Resident holder of Notes

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident holder of Notes of interest or premium relating to the Notes provided that, if the Notes are deposited with an Intermediary in Italy, the non-Italian resident holder of Notes declares itself to be a non-Italian resident according to Italian tax regulations.

Payments made by a non-resident Guarantor

With respect to payments made to Italian resident holder of Notes by a non-Italian resident guarantor, in accordance with one interpretation of Italian tax law, any such payment made by the Italian non resident guarantor could be treated, in certain circumstances, as a payment made by the relevant Issuer and would thus be subject to the tax regime described in the previous paragraphs of this section.

Capital Gains Tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident holder of Notes is an individual not holding the Notes in connection with an entrepreneurial activity and certain other persons, any capital gain realised by such holder of Notes from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 12.50 per cent. Holders of Notes may set off losses with gains.

In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the "tax declaration" regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individuals holding Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individuals holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the "*risparmio amministrato*" regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (ii) an express election for the *risparmio amministrato* regime being punctually made in writing by the relevant holder of Notes. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the holder of Notes or using funds provided by the holder of Notes for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the holder of Notes is not required to declare the capital gains in its annual tax return.

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*risparmio gestito*" regime will

be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.50 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against any increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the holder of Notes is not required to declare the capital gains realised in its annual tax return.

Any capital gains realised by a holder of Notes which is an Italian open ended or a closed-ended investment fund or a SICAV will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 12.50 per cent. substitute tax.

Any capital gains realised by a holder of Notes which is an Italian pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. substitute tax.

Capital gains realised by non-Italian resident holder of Notes from the sale or redemption of the Notes are not subject to Italian taxation, provided that the Notes (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are not deposited with an Intermediary in Italy.

Italian taxation of Warrants and Certificates

Pursuant to Article 67 of Presidential Decree No. 917 of 22 December 1986 and Legislative Decree No. 461 of 21 November 1997, as subsequently amended, where the Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Warrants and Certificates are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of the Warrants and Certificates are subject to a 12.5 per cent. substitute tax (*imposta sostitutiva*). The recipient may opt for the three different taxation criteria, *regime della dichiarazione*, *risparmio amministrato* and *risparmio gestito* described in the "Capital Gains Tax" paragraph above.

Where an Italian resident investor is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Warrants and Certificates are effectively connected, capital gains arising from the Warrants and Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to Italian corporate tax.

Capital gains realised by non-Italian resident investors are not subject to Italian taxation, provided that the Warrants and Certificates are not deposited with an Intermediary in Italy.

Please note that in accordance with a different interpretation of current tax law, there is a remote possibility that the Certificates would be considered as 'atypical' securities pursuant to Article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Certificates may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of Certificates and to an Italian resident holder of Certificates which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation by or for benefit of an Italian tax resident are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of four per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;

- (ii) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of six per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the six per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and
- (iii) any other transfer is subject to an inheritance and gift tax applied at a rate of eight per cent. on the entire value of the inheritance or the gift.

Transfer Tax

Article 37 of Law Decree No. 248 of 31 December 2007, published on the Italian Official Gazette No. 302 of 31 December 2007, has abolished the Italian transfer tax provided for by the Royal Decree No. 3278 of 30 December 1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds executed in Italy are subject to fixed registration tax at rate of EUR 168; (ii) private deeds are subject to registration tax only in the case of use or voluntary registration of the deed with the Italian tax authorities.

Italian implementation of the EU Savings Tax Directive

Italy has implemented the EU Savings Tax Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified Paying Agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

Jersey Taxation

Any holder of Securities resident in Jersey for the purposes of the Income Tax (Jersey) Law 1961 will be obliged under that law to include in any statement delivered under that law of the profits and gains arising to that holder a true, complete and correct statement of the amount of the profits and gains arising to that holder from that holder's holding of such Securities.

Grand Duchy of Luxembourg Taxation

The following discussion is a summary of certain material Luxembourg tax considerations relating to (i) Securities where the Paying Agent is located in Luxembourg or (ii) Securities issued by any of the Issuers where the Holder is tax resident in Luxembourg or has a tax presence in Luxembourg.

Certificates

Non-Residents

A holder of Certificates will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Certificates or the execution, performance and/or delivery of the Certificates.

Under the existing laws of Luxembourg and except as provided for by the Luxembourg law of 21 June 2005 implementing EU Savings Tax Directive there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Certificates made to non-residents of Luxembourg through a paying agent established in Luxembourg.

Under the Luxembourg law of 21 June 2005 implementing the EU Savings Tax Directive and as a result of ratification by Luxembourg of certain related accords with the relevant dependant and associated territories, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual or certain residual entities who, as a result of an identification procedure implemented by the paying agent, are identified as

residents or are deemed to be residents of an EU Member State other than Luxembourg or of certain of those dependant or associated territories referred to under the EU Savings Tax Directive, will be subject to a withholding tax unless the relevant beneficiary has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her country of residence or deemed residence or has provided a tax certificate from his/her fiscal authority in the form required by law to the relevant Paying Agent. Where withholding tax is applied, it will be levied at a rate of 20 per cent. until 30 June 2011 and at a rate of 35 per cent. thereafter.

Resident individuals

Under the Luxembourg law of 23 December 2005 introducing withholding tax on certain interest payments derived from savings income, interest on Certificates paid by a Luxembourg paying agent to an individual Holder who is a resident of Luxembourg not holding the Certificates as business assets or to certain foreign residual entities securing the payment for the benefit of such individual Holder will be subject to a withholding tax of ten per cent. which will operate a full discharge of income tax due on such payments.

In case interest is paid on Certificates to Luxembourg resident individuals or to certain foreign residual entities securing the payment for the benefit of such individuals by a Paying Agent established in a Member State of the EU or the EEA other than Luxembourg or in a State party to an international convention linked to the Savings Directive, the beneficiary may opt for the application of such withholding tax in accordance with the provisions of the law of 23 December 2005. In such case the beneficiary is responsible for the related payment and declaration obligations. This withholding tax represents the final tax liability for Luxembourg individual resident taxpayers acting in the course of the management of their private wealth.

An individual Holder who is a resident of Luxembourg not holding the Certificates as business assets will not be subject to taxation on capital gains (including foreign exchange gains) upon the disposal of the Certificates unless the disposal of the Certificates precedes the acquisition of the Certificates or the Certificates are disposed of within six months of the date of acquisition of these Certificates. Upon redemption or exchange of the Certificates, the portion of the redemption or exchange price corresponding to accrued but unpaid interest (if any) is subject to the aforementioned ten per cent. withholding tax.

An individual holder of a Certificate who is a resident of Luxembourg holding the Certificates as business assets will be subject to taxation as set forth in the paragraph "Undertaking with a collective character established in Luxembourg" set out below, except that the aforementioned ten per cent. withholding tax can be credited against the overall tax liability.

Undertaking with a collective character established in Luxembourg

Interest on Certificates paid by a Luxembourg paying agent to holders of a Certificate who are not individuals will not be subject to any withholding tax.

Save where the holder of a Certificate is exempt from taxation under Luxembourg law, a Holder who is an undertaking with a collective character resident in Luxembourg, or a non-resident Holder of the same type who has a permanent establishment in Luxembourg with which the holding of the Certificates is connected, must, for corporate tax purposes, include in his taxable income (i) any interest received or accrued on the Certificates and (ii) the difference between the sale or redemption price (including accrued but unpaid interest, if any) and the lower of the cost or book value of the Certificates sold or redeemed (including foreign exchange gains).

When used in the preceding paragraphs "interest", "residual entity" and "paying agent" have the meaning given thereto in the Luxembourg laws of 21 June 2005 (or the relevant accords) and of 23 December 2005.

Other Taxes

Luxembourg net wealth tax will not be levied on a holder of Certificates, unless the Holder is an undertaking with a collective character resident in Luxembourg; or the Certificates are attributable to a

permanent establishment in Luxembourg of a foreign entity of the same type as a Luxembourg undertaking with a collective character.

There is no Luxembourg registration tax, capital tax, stamp duty or any other similar tax or duty payable in Luxembourg in respect of or in connection with the execution and delivery of the Certificates or the performance of the Issuer's obligations under the Certificates, except that court proceedings in a Luxembourg court or the representation of the Certificates to an "autorité constituée" could imply registration of the Certificates at a fixed registration duty.

Notes

The Luxembourg tax consequences applicable to Notes will be identical as those applying to Certificates.

Warrants

Non-resident Warrant Holders

Under the existing laws of Luxembourg, the exercise or sale of Warrants by a non-resident Holder does not give rise to taxable income in Luxembourg, unless such Warrants were held as business assets by such non-resident within a permanent establishment in Luxembourg.

Resident Warrant Holders

Individuals

The profit made by a resident individual holder of a Warrant not holding the Warrants as business assets, on the sale of Warrants or upon the exercise thereof against payment of a cash amount is taxable in Luxembourg if such Warrant is sold or exercised within a period of six months following the acquisition by such person. The exercise by such a holder of Warrants against physical settlement does not give rise to taxation in Luxembourg, provided that the disposal of the assets acquired upon such exercise will be taxable in Luxembourg in the same circumstances as would be a sale of a Warrant or the exercise thereof against payment of a cash amount and that the holding period of six months referred to above will start on the date of acquisition of such assets following the exercise of such Warrant.

If Warrants are held by a resident individual as a business asset, they are subject to Luxembourg tax as described in the paragraph "*Undertakings with a collective character established in Luxembourg*" set out below.

Undertakings with a collective character established in Luxembourg

Save where the holder of a Warrant is exempt from taxation under Luxembourg law, a holder who is an undertakings with a collective character resident of Luxembourg, or a non-resident Holder of the same type who has a permanent establishment in Luxembourg with which the holding of the Warrants is connected must include in his taxable income the profit made on the sale of Warrants or upon the exercise thereof against payment of a cash amount. The exercise by a holder of Warrants against physical settlement does not give rise to taxation in Luxembourg, provided that the disposal of the assets acquired upon such exercise will be taxable in Luxembourg in the same circumstances as would be a sale of a Warrant or the exercise thereof against payment of a cash amount.

Other Taxes

Luxembourg net wealth tax will not be levied on a holder of a Warrant, unless the holder is an undertaking with a collective character resident in Luxembourg; or the Warrants are attributable to the permanent establishment in Luxembourg of a foreign entity of the same type as a Luxembourg undertaking with a collective character.

There is no Luxembourg registration tax, capital tax, stamp duty or any other similar tax or duty payable in Luxembourg in respect of or in connection with the execution and delivery of the Warrants or the performance of the Issuer's obligations under the Warrants, except that court proceedings in a

Luxembourg court or the representation of the Warrants to an "*autorité constituée*", could imply registration of the Warrants at a fixed registration duty

Norway Taxation

The following discussion is a summary of certain material Norwegian tax considerations relating to Securities issued by any of the Issuers where the holder is tax resident in Norway. The summary is based on legislation as at the date of this document and is intended to provide general information only. The tax treatment of each individual holder can depend on the holder's specific situation. Each investor should consult a tax adviser as to the tax consequences relating to their particular circumstances resulting from holding Securities. This description does not deal comprehensively with all tax consequences that may occur for holders of Securities. It is recommended that potential investors consult their own tax advisers for information with respect to the special tax consequences that may arise as a result of holding Securities, including the applicability and effect of foreign income tax rules, provisions contained in double taxation treaties and other rules which may be applicable. Any changes to applicable tax laws may have a retrospective effect.

Individuals

Tax liability

Both the return received on the Securities (in the form of payments from the Issuer) and capital gains received on realisation (including sale) of the Securities are taxable as ordinary income, which is currently taxed at a flat rate of 28 per cent. for Norwegian individuals. Losses on realisation of the Securities are deductible in the ordinary income of the individual.

Separate or integrated taxation – Warrants and/or Certificates

Whether the Warrants and/or Certificates will be subject to separate taxation on settlement or integrated taxation with the underlying assets depends inter alia on the nature of the underlying object of the Warrants and/or Certificates. Financial options, i.e. options on shares, debentures, foreign currency, quoted financial instruments and index options are always taxed separately from the underlying asset. Whether financial instruments other than financial options will be taxed separately or integrated must be valued in each case. However, financial instruments will, as a starting point, be subject to separate taxation if the purpose of the instrument is not mainly to arrange for the transfer of the underlying object of the Securities. On this basis the Warrants and/or Certificates will most likely be subject to separate taxation in Norway. This is assumed in the following where the question is of importance.

Calculation of capital gains and losses

Capital gain or loss is computed as the difference between the consideration received on realisation and the cost price of the Securities. The cost price of the Securities is equal to the price for which the Holder acquired the Securities. Costs incurred in connection with the acquisition and realisation of the Securities may be deducted from the Holder's ordinary income in the year of realisation. In case of physical settlement of the Securities, the capital gain will be computed as the difference between the market value of the underlying asset and the cost price of the Securities (premium) including the exercise price.

Settlement, sale and lapse of Securities

Capital gains taxation is triggered on settlement or sale of Securities.

If the Securities lapse, they are deemed to be realised, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

Settlement and sale of Securities

Settlement at the end of the term as well as prior to disposal is treated as realisation of the Securities and will trigger a taxable capital gain or loss. The calculation of capital gains and losses is accounted for above.

Return received on the Securities

Any return received on the Securities is taxable for the Holder.

Net wealth taxation

The value of the Securities at the end of each income year will be included in the computation of the Holder's taxable net wealth for municipal and state net wealth tax purposes. Listed Securities are valued at their quoted value on 1 January in the assessment year, while non-listed Securities are valued at their estimated market value on 1 January in the assessment year. The marginal tax rate is currently 1.1 per cent.

Transfer taxes etc. – VAT

There are currently no Norwegian transfer taxes, stamp duty or similar taxes connected to the purchase, disposal or settlement of the Securities. Further, there is no VAT on the transfer of the Securities.

Withholding tax

There is no Norwegian withholding tax applicable on payments made by the Issuer in respect of the Securities.

Legal entities

Both return received on the Securities in the form of payments from the issuer and capital gains received on realisation (including sale) of the Securities are as a main rule taxable as ordinary income, which is currently taxed at a flat rate of 28 per cent. for Norwegian legal entities such as limited companies and similar entities. Losses on realisation of the Securities are deductible in the ordinary income of the entity.

The taxation is as a starting point triggered and calculated as described in the section concerning individuals, see heading "Individuals" above.

Warrants and/or Certificates linked to EEA equities

Yields and gains on certain equities such as shares, shares in mutual funds etc. and financial instruments with qualifying equities as the underlying object are taxed according to the so-called exemption method, provided that the entities that the equities are related to are resident within the European Economic Area. Pursuant to the exemption method, three per cent. of capital gains realised are taxed as ordinary income (28 per cent. flat rate), giving an effective tax rate of 0.84 per cent. According to the formal preparatory works, stock index options will also be comprised by the exemption method, but only as long as the index mainly is related to companies resident within the European Economic Area.

As a result of the tax exemption for yields and gains, capital losses on such equities and equity linked instruments are not deductible.

As mentioned above, there are no transfer taxes, stamp duty or similar taxes connected to purchase, disposal or settlement of the Securities. Further, there is no VAT on transfer of the Securities. Limited companies and similar entities are not subject to net wealth taxation

Sweden Taxation

The following discussion is a summary of certain material Swedish tax considerations relating to (i) Securities issued by any of the Issuers where the Holder is tax resident in Sweden or has a tax presence in Sweden or (ii) Securities where the Paying Agent or custodian is located in Sweden. This summary of certain tax issues that may arise as a result of holding Securities is based on current Swedish tax legislation and is intended only as general information for Holders of Securities who are resident or domiciled in Sweden for tax purposes. This description does not deal comprehensively with all tax consequences that may occur for Holders of Securities, nor does it cover the specific rules where Securities are held by a partnership or are held as current assets in a business operation. Special tax consequences that are not described below may also apply for certain categories of taxpayers,

including investment companies, mutual funds and persons who are not resident or domiciled in Sweden. It is recommended that potential investors in Securities consult their own tax advisers for information with respect to the special tax consequences that may arise as a result of holding Securities, including the applicability and effect of foreign income tax rules, provisions contained in double taxation treaties and other rules which may be applicable.

Taxation of individuals resident in Sweden

Income from capital category

For individuals and estates of deceased Swedish individuals capital gains, interest payments, dividends and other income derived from the holding of an asset should be reported as income from capital category

Capital gains and losses

Individuals and estates of deceased Swedish individuals, who sell their Securities, are subject to capital gains taxation. The current tax rate is 30 per cent. of the gain. The capital gain or loss is equal to the difference between the sales proceeds after deduction of sales costs and the acquisition cost of the Securities. The acquisition cost is calculated according to the so-called average method. This means that the costs of acquiring all Securities of the same type and class are added together and calculated collectively, with respect to changes to the holding. Optionally, the so-called standard rule under which the acquisition cost is deemed to be the equivalent of 20 per cent. of the net sales price may be applied on the disposal of listed Securities that are taxed in the same manner as shares. A Security should be regarded as listed for Swedish tax purposes if it is listed on the Regulated Market of the Luxembourg Stock Exchange, the London Stock Exchange, the Irish Stock Exchange or any other foreign market that is considered to be a stock exchange under Swedish tax law.

As a main rule, 70 per cent. of a capital loss is deductible against any other taxable income derived from capital.

Capital losses on listed Securities that are taxed in the same manner as shares, are, however, fully deductible against taxable capital gains on such assets or capital gains on listed as well as non-listed shares in Swedish limited liability companies and foreign legal entities. Any excess amount is deductible at 70 per cent., according to the main rule.

Capital losses on listed Securities qualifying as Swedish receivables (i.e. denominated in SEK) are currently fully deductible in the capital income category. Moreover, under EC law even such receivables denominated in foreign currency are fully deductible.

If a deficit arises in the income from capital category, a reduction of the tax on income from employment and from business, as well as the tax on real estate, is allowed. The tax reduction allowed amounts to 30 per cent. of any deficit not exceeding SEK 100,000 and 21 per cent. of any deficit in excess of SEK 100,000. Deficits may not be carried forward to a subsequent fiscal year.

Interest

Interest as well as other income derived from the holding of an asset is subject to tax at a rate of 30 per cent.. The tax liability arises when the interest (or other income) is actually paid, in accordance with the so-called cash method.

Classification of various Notes and return on such Notes for tax purposes

Zero-coupon bonds

No formal interest accrues on zero-coupon bonds

The profit from a redemption of a zero-coupon bond is regarded as interest, subject to tax at the time of redemption. However, the appreciation in value is regarded as interest compensation, should the zero-coupon bond be disposed of prior to maturity. If there is a loss on the bond, this is deductible as a capital loss in accordance with the principles referred to above.

FX linked notes

FX linked notes constitute receivables and are taxed as such under the capital income category. An appreciation or depreciation in value is recognised at disposal or redemption as a capital gain or loss in accordance with the principles referred to above.

Commodity linked notes

Commodity linked notes constitute receivables and are taxed as such under the capital income category. An appreciation or depreciation in value is recognised at disposal or redemption as a capital gain or loss in accordance with the principles referred to above.

Share linked notes

Share linked notes constitute securities that are taxed in the same manner as shares.

Any fixed, guaranteed return is taxed as interest and does not form part of any capital gain. Floating payments that cannot be predicted (based on the performance of a Reference Asset, such as an index) are classified as capital gains or, if the payoff is provided before the note is sold, other income derived from the holding of an asset.

Upon disposal prior to maturity an annual guaranteed return shall be regarded as interest compensation. Any remaining amount shall be treated as capital gain or loss. The acquisition cost for the instrument is calculated to equal the difference between the price paid for the note and any interest compensation amount.

At redemption, a yearly guaranteed return is regarded as interest, whereas any remaining part of a yearly floating return shall be treated as other income derived from the holding of an asset. The remainder is taxed as a capital gain or loss.

Combination notes

Combination notes are considered as receivables for tax purposes (i.e. not as notes taxed in the same manner as shares) if less than 50 per cent. of the return on the instrument derives from assets other than equity. The assessment is made at the time of the issue.

Classification of various securities for tax purposes

Certificates and Warrants linked to equity (e.g. an equity index) are taxed in the same manner as shares provided that the return derives from equity.

Certificates and Warrants, whose underlying assets are related to claims in SEK, or to one or several interest indices, are treated as Swedish receivables. If the underlying assets are related to foreign currency or claims in foreign currency, or if the securities relate to one or several indices depending on foreign currency, the securities are treated as foreign receivables.

Commodity linked certificates and warrants should qualify as so-called "other assets".

Certificates and Warrants with a return deriving from a combination of equity and other assets, are taxed in the same manner as shares should more than 50 per cent. of the return on the security derive from equity. The assessment is made at the time of the issue.

Settlement and sale of call warrants*Cash settled warrants*

Capital gains taxation is triggered on exercise or sale or redemption of a cash settled warrant.

The acquisition cost is determined only according to the so-called "average method" described above. The standard rule does not apply as the security is not linked to equity. See also heading "Individuals, Capital gains and losses" above.

If the cash settled warrant lapses, it is deemed sold for no cost, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

Physical delivery warrants

Taxation is not triggered on the exercise of a physical delivery warrant. Instead the sale of the underlying asset triggers capital gains taxation. The acquisition cost for the underlying asset equals the acquisition cost of the physical delivery warrant and the exercise price.

A sale or redemption of a physical delivery warrant triggers taxation. The acquisition cost is determined only according to the so-called "average method" described above. The standard rule does not apply as the security is not linked to equity. See also heading "Capital gains and losses" above.

If the physical delivery warrant lapses, it is deemed sold for no cost, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

Settlement, sale and lapse of put warrants

The following applies to both cash settled warrants and physical delivery warrants.

Taxation is triggered when the underlying asset is disposed of due to an exercise of a put warrant or on cash settlement. The capital gain or loss is calculated to equal the difference between the sales proceeds (the exercise price) after deduction for sales expenses and the acquisition cost of the underlying asset for tax purposes and according to the tax rules applicable to the relevant asset, or the difference between the cash settled sum and the acquisition cost for the warrant. This means that rules regarding disposal of shares will apply, if the relevant put warrant relates to such assets etc. In case of a physical delivery warrant, the acquisition cost of the warrant is added to the acquisition cost of the underlying asset at the capital gain assessment.

A sale or redemption of a put warrant triggers taxation. The rules concerning the acquisition cost, taxation of gains and the deductibility of capital losses are equal to those relating to call warrants and are described above. See heading "Settlement and sale of call warrants, Cash settled warrants" above.

If the put warrant lapses, it is deemed sold for no cost, incurring a loss equal to the acquisition cost. A loss is deductible as set out above.

Settlement, sale and lapse of Certificates

A cash settlement, including redemption, or a sale of a Certificate triggers capital gains taxation. A physical settlement of a Certificate is likely to trigger capital gains taxation as well. A capital loss realised upon settlement, including redemption, is deductible in accordance with the principles referred to above.

The acquisition cost is determined according to the so-called "average method" described above. See also heading "Individuals, Capital gains and losses" above.

Withholding of tax

There is no Swedish withholding tax (*källskatt*) applicable on payments made by the Issuer in respect of the Securities. Sweden operates a system of preliminary tax (*preliminärskatt*) to secure payment of taxes. In the context of the Securities a preliminary tax of 30 per cent. will be deducted from all payments treated as interest in respect of the Securities made to any individuals or estates that are resident in Sweden for tax purposes provided the paying entity is tax resident in Sweden and subject to reporting obligations. Depending on the relevant Holder's overall tax liability for the relevant fiscal year the preliminary tax may contribute towards, equal or exceed the Holder's overall tax liability with any balance subsequently to be paid by or to the relevant Holder, as applicable.

Stamp duty

There is no stamp duty on the issuing, transfer or redemption of Securities in Sweden.

Taxation of Swedish legal entities

Limited liability companies and other legal entities, except for estates of deceased Swedish individuals, are taxed on all income (including income from the sale of Securities) as income from business activities at a flat rate of 26.3 per cent. Regarding the calculation of a capital gain or loss and the acquisition cost, see "Taxation of individuals resident in Sweden" above. However, interest income as well as other income derived from the holding of an asset is taxed on an accruals basis.

Capital losses on Securities that are taxed in the same manner as shares (see further above) incurred by a corporate holder of a Security may only be offset against taxable capital gains on shares or such notes. Such capital losses may also, under certain circumstances, be deductible against capital gains on shares and Securities that are taxed in the same manner as shares within the same group of companies, provided the requirements for group contributions (tax consolidation) are met.

Capital losses on shares and Securities that are taxed in the same manner as shares which are not deducted against capital gains within a certain year may be carried forward and offset against taxable capital gains on shares and notes taxed in the same manner as shares in the future.

For limited liability companies and economic associations, capital gains on shares and certain share related rights held for business purposes are tax exempt. As a result, capital losses on shares and share related rights that are held for business purposes are not deductible. Securities under this offer are not treated as share related rights held for business purposes. However, a capital loss on the Securities is not deductible should the underlying assets, directly or indirectly, consist of shares or certain share related rights held for business purposes.

As mentioned above, there is no stamp duty on the issuing, transfer or redemption of Securities in Sweden.

Swedish implementation of the EU Savings Tax Directive

The EU Savings Tax Directive came into force on 1 July 2005. The EU Savings Tax Directive applies, amongst other matters, to payments of interest on debt claims of every kind made by a Paying Agent in an EU Member State for the benefit of individual investors resident in the EU.

In circumstances where the EU Savings Tax Directive applies, such a paying agent would be under an obligation to provide information to the tax authorities of the EU Member States in which individual investors reside. A paying agent for these purposes is any economic operator who pays interest to, or secures interest for the beneficial owner, and could in relation to the Programme include a broker effecting the sale of the Securities.

Switzerland Taxation

The following discussion is a summary of certain material Swiss tax considerations relating to (i) Securities issued by any of the Issuers where the Holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Securities where the Paying Agent, custodian or securities dealer is located in Switzerland. The discussion bases on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Securities. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Securities (or options embedded therein) in light of their particular circumstances.

Stamp Taxes

Swiss Federal Issue Stamp Tax

The Securities are not subject to Swiss federal stamp tax on the issuance of securities provided that the respective Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

Swiss Federal Securities Turnover Tax

Dealings in Securities which classify as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent., static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are not subject to the Swiss federal securities turnover tax.

Dealings in Securities which have been issued by an issuer outside of Switzerland and which classify as structured notes, share-like instruments (including Low Exercise Price Warrants on shares with a maturity exceeding twelve months) or fund-like instruments are subject to Swiss federal securities turnover tax of 0.3 per cent. on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and no exemption applies.

Dealing in bonds and structured notes with a maturity not exceeding one year are exempt from Swiss federal turnover tax.

The delivery of an underlying taxable security at exercise or redemption to the holder of the Security is subject to Swiss federal securities turnover tax of 0.3 per cent. in case a security issued by an issuer outside Switzerland is delivered and of 0.15 per cent. in case a security issued by a Swiss domestic issuer is delivered, however, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and no exemption applies.

Swiss Withholding Tax

Payments on a Security are not subject to Swiss federal withholding tax provided that the respective Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

Income Taxation***Non-Swiss resident Holders***

A holder of a Security who is not resident in Switzerland and who during the taxation year has not engaged in trade or business carried on through a permanent establishment or a fixed place of business in Switzerland, and who is not subject to income taxation in Switzerland for any other reason, will not be subject to any income tax in Switzerland.

Securities held as Private Assets by a Swiss resident Holder**(a) *Structured Notes***

If a Security classifies as a structured note, its income taxation depends on whether the bond and the derivative financial instrument(s) embedded therein are recorded separately from each other and whether the Security classifies as a structured note with or without a predominant one-time interest payment:

Non-transparent derivative financial instruments: If the embedded bond is not recorded separately from the embedded derivative financial instrument(s), the Security classifies as non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "—Transparent derivative financial instruments with a predominant one-time interest payment".

Transparent derivative financial instruments without a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment (see below "—Transparent derivative financial instruments with a predominant one-time interest payment"), then any periodic interest payment and the one-time interest payment is taxed when paid to the holder of the Security. A gain, including interest accrued, a loss, respectively, realised on the sale of a Security is a tax-free private capital gain, a non-tax-deductible private capital loss,

respectively. The same applies if the Security is redeemed except that interest accrued is taxed when paid.

Transparent derivative financial instruments with a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) and the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then any periodic interest payments and on the sale or redemption of the Security, the difference between the value of the embedded bond at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of redemption or sale, issuance or purchase, respectively (modified differential taxation method) constitutes taxable income. A value decrease on the embedded bond respectively realised on the sale or redemption of the Security may be offset against any gains (including periodic interest payments) realised within the same taxation period from all instruments with a predominant one-time interest payment. Any residual return realised on the embedded derivative financial instrument(s) is a tax-free private capital gain, and any residual loss is a non-tax-deductible private capital loss, respectively.

(b) *Bonds*

Bonds without a predominant one-time interest payment: If a Security classifies as a pure bond without a predominant one-time interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment), Swiss resident private investors will be taxed on the periodic and any one-time interest payments, converted into Swiss Francs at the exchange rate prevailing at the time of payment. A gain, including interest accrued, a loss, respectively, realised on the sale of a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

Bonds with a predominant one-time interest payment: If a Security classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), Swiss resident private investors will be taxed on any gains, including capital and foreign exchange gains, realised on the Securities (differential taxation method).

(c) *Pure Derivative Financial Securities*

A capital gain realised by an individual on the sale or redemption of a Security which classifies as a pure derivative financial instrument (such as pure call and put options, including low exercise price options with a maturity not exceeding one year, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) and which is held as part of their private assets constitutes a tax-free private capital gain. A capital loss realised analogously on the sale or redemption of a Security cannot be set off against taxable income. Periodic and one-time dividend equalisation payments on a Security which is a pure derivative financial instrument constitute taxable investment income.

(d) *Low Exercise Price Options*

According to the current practice of the Swiss Federal Tax Administration low exercise price options are given if the underlying of a call option has been pre-financed by at least 50 per cent. at the time of issuance.

For Low Exercise Price Warrants with a maturity exceeding one year the interest component of the Low Exercise Price Warrant (i.e., issue discount) constitutes taxable investment income.

(e) *Fund-like Securities*

A Security classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less attributable costs) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Security as part of private assets only receives taxable income (which he or she must report annually) over such portion of the distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case

the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like instrument (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised a non-tax-deductible capital loss.

Securities held as Assets of a Swiss Business

Corporate entities and individuals who hold Securities as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Securities (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealing and leveraged investments in securities.

The EU Savings Tax Directive

An interest payment on a Security made by a Swiss Paying Agent to an individual resident or residual in an EU Member State is subject to EU savings tax. The tax is withheld at a rate of 20 per cent. on interest payments made before 1 July 2011 and 35 per cent. on interest payments made thereafter, with the option of the individual to have the Paying Agent and/or Switzerland provide to the tax authorities of the EU Member State the details of the interest payments in lieu of the withholding. The individual may be entitled to a tax credit or refund of the withholding, provided that he or she is the beneficial owner of the interest payments and certain other conditions are met

United Kingdom Taxation

The following is a summary of the United Kingdom withholding taxation treatment in relation to payments of principal and interest in respect of the Securities, certain other material UK tax considerations and of certain aspects of the United Kingdom stamp duty and stamp duty reserve tax treatment of the Securities at the date hereof. The comments only apply to Holders that are the beneficial owners of Securities who acquire and hold Securities as an investment and does not apply to dealers in Securities. The comments are intended as a general guide and should be treated with appropriate caution. This summary is not intended to be exhaustive and nor should it be considered legal or tax advice to any person. Each investor is advised to consult its own tax advisor as to the UK tax consequences attributable to acquiring, holding and disposing of Securities and as to other UK and non-UK applicable taxes.

The EU Savings Tax Directive

Details of the EU Savings Tax Directive can be found on page 439 in the section entitled " The European Union Council Directive on the Taxation of Savings Income (the EU Savings Tax Directive)".

United Kingdom withholding tax

(a) Securities issued by JPMorgan Chase Bank N.A. acting through its London branch

Interest on Securities issued by JPMorgan Chase Bank N.A. acting through its London branch may be paid without withholding of deduction for or on account of United Kingdom income tax so long as JPMorgan Chase Bank is a "bank" for the purposes of section 991 of the Income Tax Act 2007.

Interest on Securities paid by JPMorgan Chase Bank N.A. acting through its London branch may also be paid without withholding or deduction for or on account of United Kingdom income tax so long as JPMorgan Chase Bank N.A. is authorised for the purposes of the Financial Services and Markets Act 2000 and its business consists wholly or mainly of dealing in financial instruments (as defined by section 984 of the Income Tax Act 2007) as principal and so long as such payments are made by JPMorgan Chase Bank N.A. in the ordinary course of its business.

No withholding on account of United Kingdom withholding tax will apply if the relevant interest is paid on Securities with a maturity of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Securities part of a borrowing with a total term that could be a year or more.

Whilst the Securities are and continue to be quoted Eurobonds, payments of interest on such Securities may be made without withholding or deduction for or on account of United Kingdom income tax. Securities which carry a right to interest will constitute "quoted Eurobonds" provided they are and continue to be "listed" on a recognised stock exchange within the meaning of section 1005 of the Income Tax Act 2007. Securities admitted to trading on a recognised stock exchange outside the United Kingdom will be treated as "listed" on a recognised stock exchange if (and only if) they are admitted to trading on that exchange and they are officially listed in accordance with provisions corresponding to those generally applicable in European Economic Area states in a country outside the United Kingdom in which there is a recognised stock exchange.

(b) Securities issued by issuers other than JPMorgan Chase Bank N.A. acting through its London branch

Interest will only be subject to UK withholding tax if it has a UK source in which case it may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

It is not anticipated that Securities issued by issuers other than other than JPMorgan Chase Bank N.A. acting through its London Branch will have a "UK source". In any event, no withholding tax will apply if any of the circumstances discussed in the last two paragraphs of (a) above apply in respect of the Securities.

The following further points should be noted

Any premium element of the redemption amount of any Securities redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above and reporting requirements as outlined below;

The references to "interest" above means "interest" as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Securities or any related documentation.

Payments under Securities which do not amount to interest, rent or annual payments for the purposes of UK tax will normally not be subject to UK withholding tax.

Provision of information in respect of certain payments of interest

Holders (or beneficial owners) should note that where any interest on Securities is paid to them (or to any person acting on their behalf) by JPMorgan Chase Bank N.A. acting through its London Branch or by any person in the United Kingdom acting on behalf of any of the Issuers (a "**paying agent**"), or is received by any person in the United Kingdom acting on behalf of the relevant Holder (or beneficial owner) (other than solely by clearing or arranging the clearing of a cheque) (a "**collecting agent**"), JPMorgan Chase Bank N.A. (acting through its London branch), the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to Her Majesty's Revenue and Customs details of the payment and certain details relating to the Holder (including the Holder's name and address) (or of the beneficial owner (as the case may be)). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Holder or beneficial owner is resident in the United Kingdom for United Kingdom taxation purposes. Where the Holder or beneficial owner is not so resident, the details provided to Her Majesty's Revenue and Customs may, in certain cases, be passed by Her Majesty's Revenue and Customs to the tax authorities of the jurisdiction in which the Holder or beneficial owner is resident for taxation purposes.

United Kingdom income tax and corporation tax

Individuals that are resident in the United Kingdom

Any interest, discount or premium payable on any of the Securities may be subject to United Kingdom income tax by direct assessment even where paid without withholding.

Accrued income scheme

Holders that are UK resident individuals should also have regard to the provisions of the Accrued Income Scheme (the "**Scheme**") which may apply to individuals transferring Securities that bear interest or to individuals to whom such Securities are transferred. The charge to tax on income that may arise under the Scheme will be in respect of an amount representing interest on the Securities which has accrued since the preceding interest payment date. This amount will be taken into account in determining any chargeable gain or loss arising on a disposal of the Securities.

However, where a Security constitutes a variable rate security for the purposes of the Scheme, the amount of accrued interest deemed to be received as income by a Holder upon transfer would be such amount as Her Majesty's Revenue and Customs decides is just and reasonable and the transferee will not be entitled to any credit under the Scheme to set against any actual or deemed interest that is received or is deemed received.

Taxation of discount and premium

Where Securities are issued at an issue price of less than 100 per cent. of their nominal amount they may constitute "deeply discounted securities" depending on the level of the discount. It is not considered that Securities would be regarded as deeply discounted securities merely by reason of the fact that they are denominated in a currency other than sterling. Where Securities constitute "deeply discounted securities", a Holder of such Securities who is within the scope of United Kingdom income tax may be liable to United Kingdom income tax on any profit (the amount by which any sum payable on the transfer or redemption of the Security exceeds its acquisition price) made on the sale or other disposal (including redemption) of such Securities.

Where Securities are issued at a redemption premium as opposed to being issued at a discount, then where such premium does not constitute a payment of interest such Securities may constitute "deeply discounted securities" (as mentioned above).

Securities which are deeply discounted securities are qualifying corporate bonds and therefore not subject to tax on chargeable gains.

Securities which are "excluded indexed securities" will, notwithstanding that they may satisfy the above requirements, not be treated as deeply discounted securities and therefore any gain will be, subject to the Holder's personal circumstances, within the charge to United Kingdom tax on capital gains. A security will only be an excluded indexed security for these purposes if the amount payable on redemption is determined by applying to the amount for which the Security was issued, the percentage change (if any) over the Security's redemption period in (a) the value of chargeable assets of a particular description, or (b) and index of the value of such assets. The fact that the Security provides for a minimum amount payable on redemption not exceeding 10 per cent. of the issue price will not prevent it from satisfying this requirement and any interest payable on redemption is ignored in determining the amount payable on redemption for these purposes.

Capital gains tax

Where Securities are denominated in sterling and not capable of redemption in or by reference to any foreign currency they may be treated as qualifying corporate bonds so that no United Kingdom taxation on chargeable gains will arise on any sale, redemption or other disposal. This depends upon the Securities comprising normal commercial loans at all times which may not be the case where the Securities contain a right to acquire other shares or securities, or a return which depends on the results of the Issuer's business or any part of it.

Where Securities are denominated in a currency other than sterling or do not comprise normal commercial loans, then provided they are not deeply discounted securities they will be chargeable

assets for the purposes of United Kingdom capital gains tax with the result that any gain arising may, depending on the Holder's personal circumstances, give rise to a charge to United Kingdom tax on capital gains or an allowable loss.

Taxation of warrants

Where Warrants are held as investments any gain arising may, depending on the Holder's personal circumstances, give rise to a charge to United Kingdom tax on capital gains or an allowable loss. Where Warrants fall within the definition of a "financial option" for the purposes of United Kingdom capital gains tax the rules as to wasting assets which might restrict the amount of the acquisition costs of the Warrant for the purposes of calculating any chargeable gain will not apply.

Any Warrant which either alone or, taken together with other related transactions, is designed to produce a guaranteed return equivalent to money invested at interest will not be taxed in accordance with the rules described above. Instead any profit or gain arising in relation to such a Warrant will be charged to tax as income under Chapter 12 of Part IV of the Income Tax (Trading and Other Income) Act 2005.

Taxation of Holders within the charge to corporation tax

A Holder who is within the charge to United Kingdom corporation tax, in particular a company which is resident for tax purposes in the United Kingdom or which is not so resident but carries on a trade in the United Kingdom through a United Kingdom permanent establishment to which the Securities are attributable, will generally be chargeable to corporation tax on all the returns on, and profits and gains (whether of an income or capital nature) arising from the holding or disposal of, the Securities broadly in accordance with their statutory accounting treatment provided that accounting treatment complies with generally accepted accounting practice. This means in particular that any discount element (together with any interest) and any foreign exchange profits or loss may be taxed (or relieved) as it accrues over the term of the Security and not when it is paid or received.

Such Holders will also be subject to corporation tax on all income, profits and gains on an income basis deriving from any warrants which are derivative contracts for the purposes of Part 7 Corporation Tax Act 2009 (whether they arise from acquiring, holding, disposing or exercising rights under the contract) consistently with the way those profits are recognised in accordance with generally accepted accounting practice. Accordingly, any income, profits or gains in relation to Warrants will generally be charged to tax as income although in the case of some warrants which are derivatives capital gains treatment may be available.

Where a Security is split for accounting purposes into a derivative contract and a host loan relationship, the host loan relationship will be taxed in the way described above. In respect of the derivative contract, where the underlying subject matter is qualifying ordinary shares or mandatory convertible preference shares or a contract for differences where the underlying subject matter is qualifying ordinary shares listed on a recognised stock exchange and the contract exactly tracks the value of such underlying subject matter, any excess of accounting credits over debits will generally be chargeable to corporation tax on chargeable gains consistently with the way those credits and debits are recognised for accounting purposes but without the benefit of any indexation allowance.

For the purposes of the above, "qualifying ordinary shares" means shares which represent some or all of the issued share capital of the company and which carry a right to share in the profits of the company by way of a dividend or otherwise (provide the rights to share in profits are not restricted to a right to receive fixed rate dividends) and mandatory convertible preference shares means shares which are not qualifying ordinary shares and which are issued on such terms that stipulate that they must be converted into, or exchanged for, qualifying ordinary shares by a specified time.

Warrants which are not treated as derivative contracts and which are not taxed on an income basis should be taxed in accordance with the rules set out above under the heading "Taxation of Warrants". United Kingdom companies may also be entitled to an indexation allowance on the disposal of a Warrant which in effect increases the base cost of an asset (such as a Warrant) in line with inflation.

Holders not resident in the United Kingdom

Where interest, discount or premium amounts are received without withholding or deduction for or on account of United Kingdom tax, such amounts will not be chargeable in the hands of a Holder (other than certain trustees) who is not resident for tax purposes in the United Kingdom unless that Holder carries on a trade, profession or vocation in the United Kingdom through a United Kingdom branch or agency or permanent establishment (in the case of a corporate Holder) in connection with which such amounts are received or to which the Securities are attributable.

Where interest on Securities has been paid under deduction of United Kingdom income tax, Holders who are not resident in the United Kingdom may be able to recover part of the tax deducted if that is provided for in an applicable double tax treaty between the country of residence of the Holder and the UK.

Holders not resident or ordinarily resident in the United Kingdom will not be within the charge to United Kingdom tax on chargeable gains in respect of any Securities save broadly where Securities are held in or used for the purposes of a trade carried on by the non-resident through a branch or agency or, in the case of a company, a permanent establishment, and subject also to certain rules that apply in the case of individuals that are temporary non-residents

United Kingdom Stamp Duty and Stamp Duty Reserve Tax

No United Kingdom stamp duty will be payable in respect of the issue of the Securities by any Issuer including JPMorgan Chase Bank N.A. acting through its London branch on the basis that the relevant Security is executed and retained outside the United Kingdom, and that the relevant register in which the Securities are registered if in registered form is also kept outside the United Kingdom.

GENERAL INFORMATION

1. **JPMSP Authorisations**

Accession to the Programme by JPMSP was authorised by a resolution of the Board of Directors of JPMSP dated 16 May 2007 and the update of the Programme was authorised by a resolution of the Board of Directors dated 6 May 2010. Issuances of Securities by JPMSP were authorised by a meeting of the Board of Directors of JPMSP dated 23 May 2007 which has appointed an authorisation committee of the Board of Directors of JPMSP to authorise issuances of Securities at the time of such issuances.

2. **JPMorgan Chase Bank, N.A. Authorisations**

The giving of the JPMorgan Chase Bank, N.A. Guarantee has been authorised by the Board of Directors of JPMorgan Chase Bank, N.A. The issuance of Securities by JPMorgan Chase Bank, N.A. under the Programme was authorised pursuant to resolutions of the Borrowings Committee of JPMorgan Chase Bank, N.A. dated 10 May 2010 and resolutions of the Derivative Products Committee of JPMorgan Chase Bank, N.A. dated 10 May 2010.

3. **JPMorgan Chase & Co. Authorisations**

The giving of the JPMorgan Chase & Co. Guarantee has been authorised by the Board of Directors of JPMorgan Chase & Co. The issuance of Securities by JPMorgan Chase & Co. under the Programme was authorised pursuant to resolutions of the Borrowings Committee of JPMorgan Chase & Co. dated 10 May 2010.

4. **JPMBD Authorisations**

Accession to the Programme by JPMBD (formerly known as Bear Stearns Bank Plc) and the issuance of Securities by JPMBD were authorised pursuant to a resolution of the Board of Directors of JPMBD dated 6 May 2010.

5. **JPMI Authorisations**

Accession to the Programme by JPMI and the issuance of Securities by JPMI were authorised pursuant to a resolution of the Board of Managers of JPMI dated 11 May 2010.

6. **Clearing and Settlement**

Each Final Terms in relation to each Series of Securities will specify whether the Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg and /or DTC, Euroclear Sweden, the VPS, the VP, Euroclear Finland, Euroclear France, Clearstream Frankfurt, SIS or any other Relevant Clearing System, as the case may be. The Common Code, the International Securities Identification Number (ISIN) and/or identification number for any other Relevant Clearing System, as the case may be, for each Series of Securities will be set out in the relevant Final Terms.

The address of Euroclear is: 1 boulevard du Roi Albert II B-1210 Brussels, Belgium

The address of Clearstream, Luxembourg is: 42 Avenue JF Kennedy L-1855 Luxembourg

The address of Clearstream Frankfurt is: Neue Börsenstrasse 1, 60487 Frankfurt am Main, Germany

The address of Euroclear Sweden is: Regeringsgatan 65, P.O. Box 7822, 103 97 Stockholm, Sweden

The address of the VPS is: Biskop Gunnerus Gate 14A, P.O. Box 4 N-0051 Oslo, Norway

The address of the VP is: Weidekampsgade 14, P.O. Box 4040, DK-2300, Copenhagen, Denmark

The address of Euroclear Finland is: P.O. Box 1110, FI -00101 Helsinki, Finland

The address of Euroclear France is: 115 rue Réaumur, F-75081 Paris – CEDEX 02

The address of SIS is: Baslerstrasse 100, CH-4600 Olten, Switzerland

The address of DTC is: 55 Water Street, New York, New York 10041, United States of America

7. **Publication on the website of the Luxembourg Stock Exchange**

With respect to any issue of Securities admitted to the Official List and traded on the Regulated Market of the Luxembourg Stock Exchange, this Base Prospectus, each supplement hereto, any document incorporated by reference herein and the relevant Final Terms will be published on and available electronically from the Luxembourg Stock Exchange's website (www.bourse.lu) free of charge during the life of this Base Prospectus. For so long as any Securities are listed on any other stock exchange or listing authority, such documents shall be published in accordance with the rules of such stock exchange or listing authority.

8. **Documents on Display**

The following documents, or copies thereof, will be available, during normal business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Principal Programme Agent and at the office of the Paying Agent in Luxembourg, or at the office of each Relevant Programme Agent, as the case may be:

- (a) the JPMorgan Chase & Co. 2009 Form 10-K Annual Report, the JPMorgan Chase & Co. 2008 Form 10-K Annual Report, the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements, the JPMorgan Chase Bank, N.A. 2008 Audited Financial Statements, the JPMSP 2009 Audited Financial Statements, the JPMSP 2008 Audited Financial Statements, the Addendum to the JPMSP 2008 Audited Financial Statements, the JPMBD 2009 Audited Financial Statements, the JPMBD 2008 Audited Financial Statements and the JPMBD 2008 Audited Cash Flow Statement;
- (b) the Articles of Association of JPMSP;
- (c) the Articles of Association of JPMBD;
- (d) the Articles of Organisation of JPMI;
- (e) the Articles of Association of JPMorgan Chase Bank, N.A.;
- (f) the Restated Certificate of Incorporation of JPMorgan Chase & Co.;
- (g) a copy of this Base Prospectus, including any documents incorporated in this Base Prospectus or any supplement to this Base Prospectus (in addition to those mentioned in (a));
- (h) any Final Terms relating to Securities which are admitted to listing or trading on or by any listing authority or stock exchange;
- (i) the Agency Agreement (which includes the form of the Bearer Global Notes, the Bearer Definitive Notes, the Registered Global Notes, the Registered Definitive Notes, the Coupons, the Receipts, the Talons, the Global Certificates and the Global Warrants);
- (j) the Deed of Covenant;
- (k) the JPMorgan Chase Bank, N.A. Guarantee;
- (l) the JPMorgan Chase & Co. Guarantee; and
- (m) any supplement or amendment to any of the foregoing.

9. Tax Legend

Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes) and any Receipts, Coupons or Talons relating to such Securities with an original maturity of more than 183 days will contain the following legend:

THIS OBLIGATION MAY NOT BE OWNED BY A UNITED STATES PERSON. ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES.

Bearer Securities (other than Bearer Securities Registered for U.S. Tax Purposes) and any Receipts, Coupons or Talons relating to such Securities issued by JPMI, JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. with an original maturity of 183 days or less will contain the following legend:

BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).

Finnish Notes and Swedish Notes with an original maturity of more than 183 days will be subject to, and all Exchanged Notes (as defined in paragraphs (A) and (C) of General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*)) (and any Receipts, Coupons or Talons relating to such securities) will contain, the following legend:

THIS OBLIGATION MAY NOT BE OWNED BY A UNITED STATES PERSON. ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES.

Finnish Notes and Swedish Notes issued by JPMorgan Chase & Co. or JPMorgan Chase Bank, N.A. with an original maturity of 183 days or less will be subject to, and all Exchanged Notes (as defined in paragraphs (A) and (C) of General Condition 1.1(c)(vi) (*Exchange of Finnish Securities and Swedish Securities*)) (and any Receipts, Coupons or Talons relating to such securities) will contain, the following legend:

BY ACCEPTING THIS OBLIGATION, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE OF THE UNITED STATES AND THE REGULATIONS THEREUNDER) AND THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON (OTHER THAN AN EXEMPT RECIPIENT DESCRIBED IN SECTION 6049(B)(4) OF THE INTERNAL REVENUE CODE AND THE REGULATIONS THEREUNDER).

10. Rule 144A Information

With respect to any Rule 144A Securities, at any time when any Issuer is not subject to Section 13 or 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, upon the request of a Holder or beneficial owner of a Security, such Issuer shall promptly furnish or cause to be furnished "Rule 144A Information" to such Holder or beneficial owner, to an investor in such Security designated by such Holder or beneficial owner, or to the Principal Programme Agent for delivery to such Holder or beneficial owner or to an investor in such Security designated by such Holder or beneficial owner, as the case may be, in order to permit compliance by such Holder or beneficial owner of such Security with Rule 144A in connection with the resale of such Security by such Holder or beneficial owner of such Security, respectively.

"Rule 144A Information" means such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto).

11. **Websites do not form part of this Base Prospectus**

No websites that are cited or referred to in this Base Prospectus, shall be deemed to form part of, or to be incorporated by reference into, this Base Prospectus.

12. **JPMorgan Chase Bank, N.A. and JPMI will not admit to trading on a regulated market in the EEA Notes with a minimum denomination of less than EUR 50,000 or Warrants or Certificates**

No Notes issued by JPMorgan Chase Bank, N.A. or JPMI will be admitted to trading on a regulated market in the European Economic Area unless they have a minimum denomination of at least EUR 50,000.

No Warrants or Certificates issued by JPMorgan Chase Bank, N.A. or JPMI will be admitted to trading on a Regulated Market in the European Economic Area.

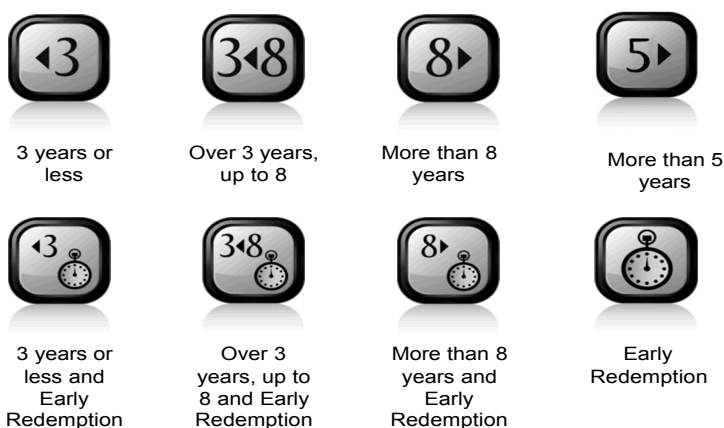
13. **De-listing**

The Issuer has no duty to maintain the listing (if any) of the Securities on the relevant stock exchange(s) over their entire lifetime. Securities may be suspended from trading and/or de-listed at any time in accordance with applicable rules and regulations of the relevant stock exchange(s), provided, however, that, in the case of a Series that is listed on the SIX Swiss Exchange, the Securities of such Series shall be de-listed with respect to the SIX Swiss Exchange, without any further action, if (i) the Issuer or any of its affiliates has prepaid, repaid, repurchased, redeemed or otherwise acquired or holds all the Securities of such Series and (ii) the Issuer has published or caused to be published a notice stating that such Securities have been de-listed with respect to the SIX Swiss Exchange in accordance with paragraph (i) of General Condition 26.8 (*Notices in respect of Securities listed on the SIX Swiss Stock Exchange*).

GUIDE TO SYMBOLS WHICH MAY APPEAR ON FINAL TERMS

Securities issued under the Programme can be organised into different categories based on several characteristics, including investors' investment horizon, market outlook, desire for principal protection and investment objective and the underlying index. To help investors identify appropriate Securities for investment and how a Security may be categorised, JPMorgan Chase has developed a set of symbols that may be used in offering documents relating to an offering of Securities under the Programme. These symbols are intended to visually represent generally some of the underlying characteristics of the relevant Securities. However, investors should not rely solely on these symbols in their investment decisions, and should read carefully the Base Prospectus and the relevant Final Terms and any other related documents, which will set out important details about the particular Securities offered and the related risks.

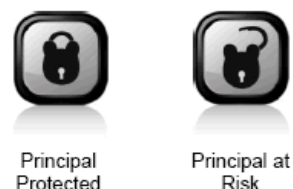
Horizon – medium to long term



Horizon – short term



Principal Protection



MARKET OUTLOOK



Bearish



Bullish



Bearish and
Bullish



Non
Directional



Dispersion



Range



Relative
Value



Bearish and
Non
Directional



Bullish and
Non
Directional



Tracker

INVESTMENT OBJECTIVE



Income



Growth

INDEX TYPE



Excess
Return

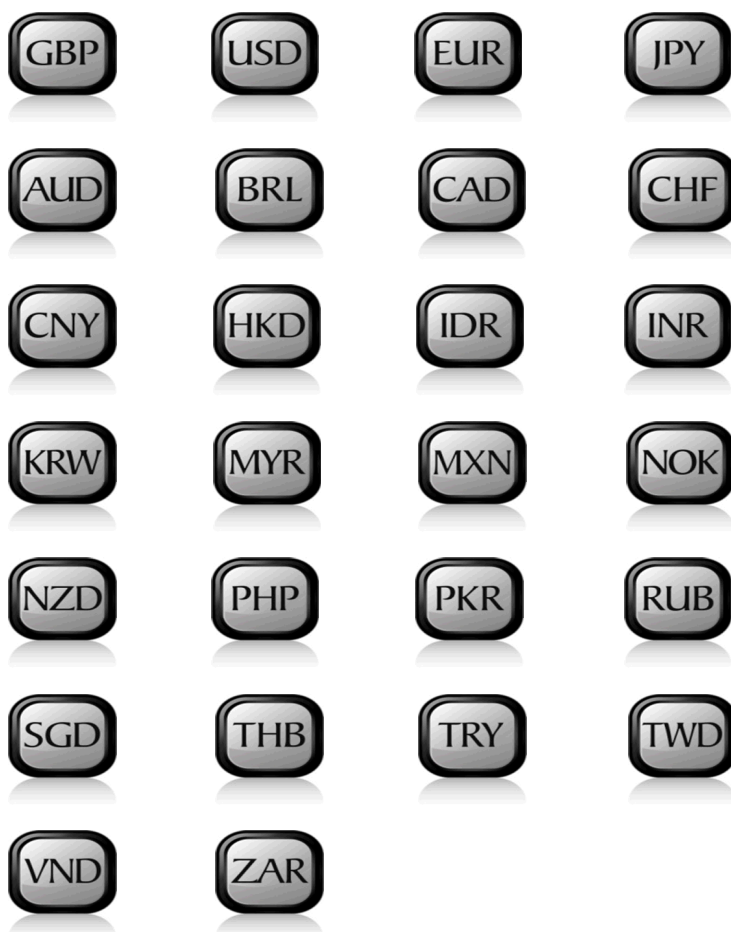


Price
Return



Total
Return

CURRENCIES



Classification of Securities into categories is not intended to guarantee particular results or performance.

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