http://www.oblible.com

BASE PROSPECTUS **11 May 2012**

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
(*organised 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

http://www.oblible.com

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

This document (this "**Base Prospectus**") constitutes four base prospectuses for the purposes of Article 5.4 of Directive 2003/71/EC (as amended by Directive 2010/73/EU, 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 JPMorgan Chase Bank, N.A. under the Programme and (iv) 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 100,000. 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. This document does not constitute an approved base prospectus for the purposes of the Prospectus Directive in respect of J.P. Morgan Indies SRL ("**JPMI**"). JPMI shall only issue securities with a denomination per unit of at least EUR 100,000. No Securities issued by JPMI will be admitted to trading on a regulated market in the European Economic Area.

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 JPMorgan Chase & Co. 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 22 TO 62 FOR CERTAIN INFORMATION THAT SHOULD BE CONSIDERED BY INVESTORS IN SECURITIES.

TABLE OF CONTENTS

Page

IMPORTANT NOTICES 1
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS 6
SUMMARY OF THE PROGRAMME 8
RISK FACTORS 22
CONFLICTS OF INTEREST 63
DOCUMENTS INCORPORATED BY REFERENCE 64
GENERAL DESCRIPTION OF THE PROGRAMME 73
COMMONLY ASKED QUESTIONS 80
GENERAL CONDITIONS 95
1. Form, Denomination and Title 97
2. Transfers 106
3. Guarantee and Status of the Securities 111
4. Interest and other Calculations under the Notes 112
5. Redemption of Notes 115
6. Payments 119
7. Replacement of Notes 121
8. Certificate Coupon 121
9. Redemption Rights in respect of Certificates 124
10. Exercise Rights in respect of Certificates 129
11. Exercise of Warrants 130
12. Business Day 136
13. Payment Disruption 136
14. Physical Delivery 138
15. Events of Default 141
16. Early Redemption or Termination for Illegality 143
17. Taxation and Early Redemption or Termination for Taxation 143
18. Agents 147
19. Calculation Agent, Determination, Disclaimer of Liability and other terms 148
20. European Monetary Union 149
21. Rounding 151
22. Meeting of Holders and Modifications 152
23. Purchase and Cancellation 159
24. Further Issues 159
25. Notices 159
26. Substitution 161
27. Prescription 164
28. Governing Law and Jurisdiction 164
29. Contracts (Rights of Third Parties) Act 1999 167
30. Definitions and Interpretation 167
ANNEX 1 192
SHARE LINKED PROVISIONS 192
ANNEX 2 209
INDEX LINKED PROVISIONS 209
ANNEX 3 224
COMMODITY LINKED PROVISIONS 224
ANNEX 4 238
FX LINKED PROVISIONS 238
ANNEX 5 244
MARKET ACCESS PARTICIPATION PROVISIONS 244
ANNEX 6 254
LOW EXERCISE PRICE WARRANT PROVISIONS 254

APPENDIX 262
PROVISIONS REGARDING RESOLUTIONS OF HOLDERS OF GERMAN SECURITIES 262
FORM OF FINAL TERMS FOR SECURITIES OTHER THAN GERMAN SECURITIES 267
FORM OF FINAL TERMS FOR GERMAN SECURITIES 315

USE OF PROCEEDS 334
FORM OF JPMORGAN CHASE & CO. GUARANTEE 335
FORM OF JPMORGAN CHASE BANK, N.A. GUARANTEE 339
JPMORGAN CHASE & CO. 343
JPMORGAN CHASE BANK, N.A. 368
J.P. MORGAN STRUCTURED PRODUCTS B.V. 372
J.P. MORGAN BANK DUBLIN PLC 375
J.P. MORGAN INDIES SRL 378
BOOK-ENTRY CLEARING SYSTEMS 380
SUBSCRIPTION AND SALE 384
TRANSFER RESTRICTIONS 409
CERTAIN ERISA CONSIDERATIONS 430
TAXATION 435
GENERAL INFORMATION 520
GUIDE TO SYMBOLS WHICH MAY APPEAR ON FINAL TERMS 525
INDEX OF DEFINED TERMS 528

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 JPMI, 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, the JPMorgan Chase & Co. Guarantee and the securities to be delivered upon redemption or exercise of the Securities, if any, 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, the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee has not been approved by the U.S. Commodity Futures Trading Commission ("CFTC") under the U.S. Commodity Exchange Act, as amended (the "Commodity Exchange Act"). The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee have not been and will not be registered under the rules of the U.S. Comptroller of the Currency (the "OCC"). The Securities may not be offered, sold, transferred, pledged, assigned, delivered, exercised or redeemed at any time 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. Hedging transactions involving "equity securities" of "domestic issuers" (as each such term is defined in the Securities Act and regulations thereunder) may only be conducted in compliance with the Securities Act. The Securities are being offered and sold only (i) to non-U.S. Persons in offshore transactions in accordance with Regulation S under the Securities Act ("Regulation S") and (ii) in the case of the Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in reliance on Rule 144A, to qualified institutional buyers ("QIBs") (as defined in Rule 144A under the Securities Act) that are also Eligible Investors (as defined herein) at the time of sale 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. The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee may also be offered or sold in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(2) thereof and will be offered and sold pursuant to an exemption from the registration requirements of the OCC (including, in the case of offers or sales outside the United States, in compliance with Regulation S as such regulation is incorporated into the regulations of the OCC pursuant to 12 C.F.R. Section 16.5(g)). Neither JPMSP nor JPMBD has registered, nor intends to register, as an

investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"). JPMSP and JPMBD intend to rely on the exemption from registration as an investment company under 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 ("QPs") (as defined in Section 2(a)(51) and related rules under 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 Commodity Exchange Act), (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 or Warrants or Certificates (in definitive or global form), 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 and Rule 144A Certificates 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, on distribution of this Base Prospectus and the relevant Final Terms and of certain agreements and representations that any person who purchases Securities at any time is required to make, or is deemed to have made, as a condition to purchasing such Security or any legal or beneficial interest therein, see the sections entitled "Subscription and Sale" and "Transfer Restrictions". The Securities, other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A, are being offered and sold outside the United States to non-U.S. Persons in offshore transactions in accordance with Regulation S and may not be legally or beneficially owned by any U.S. Person at any time.

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 (each 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 & Co. nor JPMorgan Chase Bank, N.A. has received 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.

The credit ratings of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. referred to in this Base Prospectus have been issued by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P"), Moody's Investors Service, Inc. ("Moody's") and Fitch, Inc. ("Fitch"), none of which is established in the European Union or registered under Regulation (EC) No. 1060/2009, as amended by Regulation (EU) No. 513/2011 (the "CRA Regulation"). Credit ratings may be adjusted over time, and there is no assurance that these credit ratings will be effective after the date of this Base Prospectus. A credit rating is not a recommendation to buy, sell or hold any Securities.

A credit rating may be assigned to a specific Series of Securities to be issued under the Programme, and any such rating may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to the relevant series of Securities will be issued or endorsed by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. The list of credit rating agencies registered under the CRA Regulation (as updated from time to time) is published on the website of the European Securities and Markets Authority (www.esma.europa.eu).

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Securities, the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee or determined that this Base Prospectus is accurate or complete. Any representation to the contrary is a criminal offence. The OCC has not approved or disapproved of the Securities issued by JPMorgan Chase Bank, N.A. or the

http://www.oblible.com

JPMorgan Chase Bank, N.A. Guarantee or determined that this Base Prospectus is accurate or complete.

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 528 to 556 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 lawful single currency of the member states of the European Union that have adopted and continue to retain a common single currency through monetary union in accordance with European Union treaty law (as amended from time to time);**

(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, are 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", 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:

- local, regional and international business, economic and political conditions and geopolitical events;
- changes in laws and regulatory requirements, including as a result of recent financial services legislation;
- 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;
- changes in credit ratings assigned to JPMorgan Chase & Co. or its subsidiaries;
- damage to JPMorgan Chase's reputation;
- ability of JPMorgan Chase to deal effectively with an economic slowdown or other economic or market disruption;
- 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, and the extent to which products or services previously sold by JPMorgan Chase (including but not limited to mortgages and asset-backed securities) require it to incur liabilities or absorb losses not contemplated at their initiation or origination;
- ability of JPMorgan Chase to address enhanced regulatory requirements affecting its mortgage business;
- 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;
- adverse judicial or regulatory proceedings;
- changes in applicable accounting policies;
- ability of JPMorgan Chase to determine accurate values of certain assets and liabilities;
- 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;
- ability of JPMorgan Chase to maintain the security of its financial, accounting, technology, data processing and other operating systems and facilities; 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 2011 which is incorporated by reference into this Base Prospectus.

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 statements were 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 Central Bank of Ireland (formerly 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 Corporate/Private Equity. 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 & Auto 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 17 (*Taxation and Early Redemption or Termination for 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 LLC J.P. Morgan (S.E.A.) Limited J.P. Morgan Securities (Asia Pacific) Limited or as otherwise specified in the relevant Final Terms.
Calculation Agent:	J.P. Morgan Securities Ltd. J.P. Morgan Securities LLC 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 and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, pledged, assigned, delivered, transferred, exercised or redeemed at any time within the United States or to, or for the account or benefit of, any U.S. Person. "**U.S. Person**" means any person which is a "U.S. person" as defined in Rule 902(k) of Regulation S (as may be amended from time to time) or any person which is a "United States person" as defined in section 7701(a)(30) of the Code and Treasury regulations thereunder (as may be amended from time to time), as the context requires.
Rule 144A Securities:	Securities issued under the Programme (other than by JPMI) may also be offered and sold pursuant to Rule 144A under the Securities Act to U.S. Persons that are "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") and that (i) in the case of Securities issued by JPMSP or JPMBD, are "qualified purchasers"

("**QPs**"), as defined in Section 2(a)(51) and related rules under 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 (the "**Commodity Exchange Act**"), (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**") and (iv) (a) in the case of Rule 144A Securities which are Notes held in definitive form or Warrants or Certificates (in definitive or global form), have entered into and remain in compliance with the provisions of an approved investor letter of representations for the benefit of the Dealer, the relevant Issuer and (if applicable) the Guarantor (together with their respective affiliates and control persons) (such letter, for the benefit of such parties, an "**Investor Letter of Representations**") and (b) in the case of Rule 144A Notes and Rule 144A Certificates 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**").

Regulation S/Rule 144A Warrants: Certain Warrants issued by JPMSP under the Programme may also be offered and sold concurrently (A) to or for the benefit of persons who (i) are not U.S. persons (as such term is defined in Rule 902(k) of Regulation S) in accordance with Regulation S in "offshore transactions" (as such term is defined in Rule 902(h) of Regulation S); (ii) have entered into and remain in compliance with the provisions of an Investor Letter of Representations; and (iii) are "qualified investors", as defined in the Prospectus Directive, or any other purchaser that is approved by the Dealer from time to time and (B) to U.S. Persons that are QIBs pursuant to Rule 144A under the Securities Act and that (i) are QPs, (ii) are ECPs, (iii) are either (a) MUSIVs or (b) Qualified Offshore Clients, and (iv) have entered into and remain in compliance with the provisions of an Investor Letter of Representations (each such QIB, an "**Eligible Investor**").

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 *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 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 *pari passu* 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 exchangeable, in limited circumstances, for Securities in definitive registered form. No Securities will be issued 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, in limited circumstances, for Securities in definitive registered form.

Global Securities may be deposited on the issue date with a common depositary 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 depositary for such other clearing system as specified in the General Conditions and/or the relevant Final Terms.

Swiss Securities

Swiss Securities shall be either (i) issued in the form of uncertificated securities and entered into the main register (*Hauptregister*) of SIX SIS AG as custodian (*Verwahrungsstelle*) or (ii) initially represented by a single Global Security in registered form that is deposited with SIX SIS AG as central depositary. 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 such Swiss Securities into, or the delivery of, 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 depositary. 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 Depositary in accordance with all applicable Finnish laws, regulations and rules. Finnish Securities will not be issued in definitive form. 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 Depositary 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. JPMI shall not issue Swedish Securities.

Rule 144A Securities

Securities issued under the Programme may be sold pursuant to Rule 144A under the Securities Act to a person who (A) 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 (B) (i) in the case of Rule 144A Securities which are Notes held in definitive form or Warrants or Certificates (in definitive or global form), who has entered into, and has remained in compliance with, the relevant Investor Letter of Representations at the time of such transfer or (ii) in the case of Rule 144A Notes or Rule 144A Certificates represented by a Global Security, who has remained in compliance with the representations such beneficial holder is deemed to have made. 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 depositary therefor. JPMI shall not issue any Rule 144A Securities.

Regulation S/Rule 144A Warrants

Regulation S/Rule 144A Warrants issued by JPMSP may be sold to certain investors outside the United States in "offshore transactions" (as defined in Regulation S) in accordance with Regulation S and to certain QIBs in the United States in accordance with Rule 144A of the Securities Act. The Registered Global Security in respect of Regulation S/Rule 144A Warrants will be deposited with a depository that is common to Euroclear and Clearstream, Luxembourg.

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: Such denominations as specified in the relevant Final Terms, provided that:

(a) any Notes or Certificates issued by JPMSP, JPMI or JPMorgan Chase & Co., as the case may be, (i) which have a maturity of less than one year and (ii) the terms of which require the Issuer to pay the investor at maturity or on redemption, as the case may be, an amount equal to at least 100 per cent. of the Specified Denomination of each such Note or of the Notional Amount of each such Certificate, as the case may be, 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; and

(c) any Securities issued by JPMI must have a minimum denomination of EUR 100,000 (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:

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).

Redemption – Certificates only:	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). The relevant Final Terms may specify that the Certificates shall be redeemed earlier than the scheduled redemption 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 Certificates. Certificates may also be redeemed earlier than the scheduled redemption date following the occurrence of certain events in accordance with the relevant Specific Product Provisions and/or as specified in the relevant Final Terms.
Exercise – Warrants only:	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. Warrants may be subject to a maximum or minimum number of Warrants exercisable on any date.
Early Termination of Certificates and Warrants:	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 JPMI) or for reasons of illegality, as specified below.
Payment Disruption:	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, Redemption Date, Settlement 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.
Physical Delivery:	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. Holders may be required to pay certain expenses in relation to Securities subject to physical delivery. 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 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).

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 not to 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 (i) U.S. withholding taxes on (a) Rule 144A Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., (b) Securities issued by JPMI or (c) any Security in respect of amounts withheld under the Foreign Account Tax Compliance Act or (ii) if "Exclude Section 871(m) Taxes from Gross Up" is specified to be applicable in the relevant Final Terms, taxes imposed pursuant to Section 871(m) of the U.S. Internal Revenue Code.

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 (i) the Issuer determines in good faith that (a) 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 Act 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, (b) it has or will, or there is a substantial likelihood that it has or will, violate an agreement entered into with respect to the Foreign Account Tax Compliance Act, or (c) a series of Securities will, or there is a substantial likelihood that a Series of Securities will, be treated, for U.S. federal income tax purposes, as in bearer form or (ii) certain taxation events have occurred (a) with respect to the Securities, or (b) (if "Early Redemption for Tax on Underlying Hedge Transactions" is specified to be applicable in the relevant Final Terms) in respect of Securities issued by JPMSP or JPMBD, with respect to underlying hedge transactions.

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:	Save as provided below, Securities shall be governed by English law. The JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee are governed by the laws of the State of New York. 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. French Securities shall be governed by French law. German Securities shall be governed by German law. Rule 144A Securities (other than Rule 144A Notes) shall be governed by the laws of the State of New York.
Listing and Admission to Trading:	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. No Notes issued by JPMorgan Chase Bank, N.A. will be admitted to trading on a regulated market in the European Economic Area unless they have a minimum denomination of at least EUR 100,000 (or the equivalent in another currency). No Certificates or Warrants issued by JPMorgan Chase Bank, N.A. and no Securities issued by JPMI will be admitted to trading on a regulated market in the European Economic Area.

Rating:	**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.**
Selling Restrictions:	Restrictions apply to offers, sales or transfers of the Securities in various jurisdictions and any person who purchases Securities at any time is required to make, or is deemed to have made, certain agreements and representations as a condition to purchasing such Security or any legal or beneficial interest therein. See "Subscription and Sale" and "Transfer Restrictions". In all jurisdictions offers, sales or transfers may only be effected to the extent lawful in the relevant jurisdiction.
Compulsory Transfer or Redemption:	***Securities other than Rule 144A Securities and Regulation S/Rule 144A Warrants***

Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, delivered, pledged, assigned or otherwise transferred or exercised or redeemed at any time within the United States or to, or for the account or benefit of, any U.S. Person. If the Issuer determines at any time that any Security (other than a Rule 144A Security or a Regulation S/Rule 144A Warrant) 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 or a Regulation S/Rule 144A Warrant) 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.

Rule 144A Securities

If the Issuer determines at any time that any transfer of a Rule 144A Security has been effected other than to a person who (A) 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 Qualified Offshore Client or MUSIV and (B) (i) in the case of Rule 144A Securities which are Notes held in definitive form or Certificates or Warrants (in definitive or global form), has entered into and remains in compliance with the relevant Investor Letter of Representations and (ii) in the case of Rule 144A Notes represented by a Global Security, has remained in compliance with the representations such beneficial holder is deemed to have made (for the purposes of this paragraph only, a "**Permitted Transferee**"), the Issuer may direct the Holder to sell or transfer such 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 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 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 such Security or (y) give notice to the Holder that such Security will be redeemed by the Issuer at the Early Payment Amount on the date specified in such notice.

Regulation S/Rule 144A Warrants

If the Issuer determines at any time that any transfer of a Regulation S/Rule 144A Warrant has been effected other than (A) to a person who (i) is not a U.S. person (as such term is defined in Rule 902(k) of Regulation S) in accordance with Regulation S in "offshore transactions" (as such term is defined in Rule 902(h) of Regulation S); (ii) has entered into and remains in compliance with the provisions of the relevant Investor Letter of Representations; and (iii) is a "qualified investor", as defined in the Prospectus Directive, or any other purchaser that is approved by the Dealer from time to time; or (B) to a person who is (i) a QIB, (ii) a QP, (iii) an ECP and (iv) either (a) a MUSIV or (b) a Qualified Offshore Client and (v) who has entered into and has remained in compliance with the relevant Investor Letter of Representations at the time of such transfer, (each person satisfying either sub-clause (A) or (B), for the purposes of this paragraph only, a "**Permitted Transferee**"), the Issuer may direct the Holder to sell or transfer such Warrant 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 such Warrant within such period, the Issuer may at its discretion (x) cause such Warrant 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 such Warrant or (y) give notice to the Holder that such Warrant 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 relating to the Securities:

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

Risk Factors ***Investors in Securities are exposed to the creditworthiness of the relevant Issuer***

relating to the Issuers and Guarantors:

and (if applicable) the relevant Guarantor: JPMorgan Chase is a major, global financial services group and, as such, faces a variety of risks that are substantial and inherent in its businesses, and which may affect the relevant Issuer's and (if applicable) the relevant Guarantor's ability to fulfil their respective payment, delivery or other obligations under the relevant Securities. These risks include liquidity risk, market risk, credit risk, operational risk, reputational risk, the adequacy of risk management, legal, regulatory and compliance risks, litigation and other contingent liabilities, competition risks, the financial condition of clients, customers and counterparties, adverse economic, monetary, political or legal developments, cross-border and foreign exchange risk, catastrophic events, risks from estimates and valuations and risks relating to strategy. JPMorgan Chase's results of operations have in the past been, and may in the future be, adversely affected by U.S. and international financial market and economic conditions.

The principal business of each of JPMSP, JPMBD and JPMI is the raising and borrowing of money for JPMorgan Chase entities by issuing securities and undertaking other financing activity. Generally, the proceeds of such activity will be delivered to other JPMorgan Chase entities and JPMSP, JPMBD and JPMI will be dependent on receipt of funds or on the delivery of other obligations from hedging transactions entered into with other JPMorgan Chase entities to fulfil their respective payment, delivery or other obligations under the relevant Securities. Accordingly, JPMSP, JPMBD and JPMI are exposed to the same risks that affect the Guarantors.

The above is a summary only: see "Risk Factors" below.

Conflicts of Interest:

JPMorgan Chase affiliates (including the Issuers and the Guarantors) are subject to certain conflicts of interest between their own interests and those of holders of Securities, including:

- JPMorgan Chase affiliates may take positions in or deal with Reference Asset(s);
- The Calculation Agent, which will generally be a JPMorgan Chase affiliate, has broad discretionary powers which may not take into account the interests of the Holders;
- A JPMorgan Chase affiliate may be the sponsor of an index or strategy which is referenced by a Security;
- A JPMorgan Chase affiliate may have confidential information relating to the Reference Assets and the Securities; and
- A JPMorgan Chase affiliate may act as a hedge counterparty to the Issuer's obligations under the Securities.

The above is a summary only: see "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 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, including certain agreements and representations that any person who purchases Securities at any time is required to make, or is deemed to have made, as a condition to purchasing such

Security or any legal or beneficial interest therein, 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., Fitch, 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), (viii) any related transaction costs and (ix) any restrictions applicable to the Securities, including certain agreements and representations that any person who purchases Securities at any time is required to make, or is deemed to have made, as a condition to purchasing such Security or any legal or beneficial interest therein.

(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***

Where a formula used to determine the amount payable and/or deliverable with respect to the Securities contains a multiplier or leverage factor (whether implicit or explicit) greater than one, 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). 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.

Where a formula used to determine the amount payable and/or deliverable with respect to the Securities contains an explicit or implicit multiplier or leverage factor of less than one, then the percentage change in the value of the Security will be less than any positive and/or negative performance of the Reference Asset(s). Securities which include such multiplier or leverage factor will not benefit from the full extent of any gain in the value of the Reference Asset(s), since any gain in the value of the Reference Asset(s) carries the risk of a correspondingly lower gain 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 reasonable commercial 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 or terminated (as applicable) 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 or terminated (as applicable) 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 Issuer determines that its performance under any Security has become unlawful in whole or in part for any reason (see General Condition 16 (*Early Redemption or Termination for Illegality*));

(vi) in certain circumstances where 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 the Foreign Account Tax Compliance Act, that there is a substantial likelihood that it will otherwise violate any agreement it may reach with the U.S. taxing authority with respect to the Foreign Account Tax Compliance Act or that a series of Securities will, or there is a substantial likelihood that a series of

Securities will, be treated, for U.S. federal income tax purposes, as in bearer form (see General Condition 17.3 (*Early Redemption or Termination for Taxation - FATCA*));

(vii) the occurrence of certain taxation events with respect to the Securities or (if specified as applicable in the relevant Final Terms) with respect to underlying hedging transactions (see General Condition 17.4 (*Early Redemption or Termination for Taxation – Additional Amounts/Underlying Hedge Transactions*); or

(viii) following an Event of Default (see General Condition 15 (*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 63.

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, Coupon 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 Interest Payment Date, Maturity Date, Exercise Date, Redemption Date, Coupon Payment 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 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.

See General Condition 22.1(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 22.1(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, 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, 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. See General Condition 22.1(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 22.1(e)(ii) proposed by the Issuer. Majority resolutions shall be binding on all Holders. See General Condition 22.1(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, (i) to the Issuer or the Guarantor having become obliged (due to a change in law) to pay Additional Amounts in accordance with General Condition 17.1 (*Obligation to Pay Additional Amounts*) or (ii) to the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer incurring a materially increased tax cost in performing its obligations in relation to underlying hedging transactions (due to a change in law)) 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 26 (*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), certification that it is an eligible investor for U.S. securities law purposes (in respect of Rule 144A Securities) or certification that either (i) the Holder and any beneficial owners of the Security are not U.S. persons or (ii) the Holder is an eligible investor for U.S. securities law purposes (in respect of Regulation S/Rule 144A Warrants), 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 Additional Amounts 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 17.2 (*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 **Payments to Holders in respect of the Securities and payments received by JPMSP or JPMBD may be subject to U.S. withholding taxes, which may give rise to a right for JPMSP or JPMBD to redeem or terminate the Securities early**

Under recently enacted U.S. tax legislation commonly known as the Foreign Account Tax Compliance Act ("**FATCA**"), the Issuers or an intermediary may be required to withhold a U.S. withholding tax of up to 30 per cent. on payments including principal and gross proceeds, made on or after 1 January 2014 to certain Holders in respect of the Securities. In particular, the withholding tax may apply to payments in respect of Securities made to (i) a non-U.S. Holder or beneficial owner that is a foreign financial institution (an "**FFI**") and that does not have in place an effective reporting and withholding agreement with the U.S. Internal Revenue Service and (ii) other Holders or beneficial owners that do not comply with the relevant Issuer's or any intermediary's requests for ownership certifications and identifying information or, if applicable, for waivers of non-U.S. law prohibiting the release of such information to the U.S. Internal Revenue Service (the "**IRS**") (such Holders and beneficial owners, "**Recalcitrant Holders**"). In the event that an Issuer is required to deduct a withholding tax under FATCA, no additional amounts will be paid to the Holder of the Security.

Under FATCA, JPMSP and JPMBD (each, a "**Non-U.S. Issuer**") may also be subject to a withholding tax of up to 30 per cent. on payments of U.S. source interest, U.S. source dividends and gross proceeds from the sale of certain U.S. assets made on or after 1 January 2014 if the relevant Issuer does not have in place an effective reporting and withholding agreement with the IRS. In the event a Non-U.S. Issuer determines that there is a substantial likelihood that payments made to it would be subject to withholding tax under FATCA or that it otherwise will be in violation of an agreement entered into with the IRS in connection with FATCA, it is possible that a portion or all Securities of a series issued by such Non-U.S. Issuer will be redeemed or terminated 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).

It is anticipated that each Non-U.S. Issuer will comply with the new reporting requirements and, thus, will be required, among other things, to agree to withhold 30 per cent. of "passthru" payments made to any Recalcitrant Holders. A payment with respect to a Security may be treated as a passthru payment to the extent of (i) the amount (if any) of the payment that is treated as U.S. source income (generally, U.S. source interest or U.S. source dividends, and gross proceeds from the sale of assets that can produce U.S. source interest or U.S. source dividends) plus (ii) the remaining amount of the payment multiplied by a ratio equal to the relevant Non-U.S. Issuer's average U.S. assets to its average total assets, based on specified testing dates. Should a Non-U.S. Issuer withhold on payments to its Recalcitrant Holders, there will be no "gross up" (or any other additional amount) payable by way of compensation to such Holders for the amounts deducted.

2.17 **Under certain circumstances, no Additional Amounts will be payable on any Security for amounts withheld or deducted pursuant to Section 871(m) of the U.S. Internal Revenue Code**

Subject to customary exceptions and certain other exceptions as detailed in General Condition 17.2 (*Circumstances in which Additional Amounts will not be paid*) (and unless "Gross Up" is specified to not be applicable in the relevant Final Terms or "Exclude Section 871(m) Taxes from Gross Up" is specified to be applicable in the relevant Final Terms), the relevant Issuer will pay additional amounts should withholding taxes become payable on payments treated as "dividend equivalent" payments under Section 871(m) of the U.S. Internal Revenue Code.

However, in no event will additional amounts be payable in respect of withholding taxes in respect of dividend equivalent payments on any Security if, in the reasonable judgment of the Issuer, withholding would not have been imposed but for the Holder or beneficial owner (or a related party thereof) (a) engaging in a transaction other than the mere purchase of the Security (whether or not in connection with the acquisition, holding or disposing of the Security) that establishes the withholding obligation, (b) failing to take reasonable measures to secure a refund of the withholding taxes to which it is entitled or (c) failing to establish an exemption or reduced rate of withholding, including, under the benefits of an applicable treaty.

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 reasonable commercial 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.

3.9 **There are risks relating to Inventory Securities which have been issued prior to the date of their purchase**

In the case of Securities which have been issued prior to the date of their purchase which the Dealer has been holding from time to time on its own account ("**Inventory Securities**"), disclosure in relation to the Reference Asset(s) to which the relevant Inventory Securities may be linked as set forth in the Final Terms will have been extracted by the Issuer from publicly available sources but will not have been prepared by, or on behalf of, and will not have been verified by, or on behalf of, the Issuer, the Guarantor (if applicable), the Dealer or any other J.P. Morgan affiliate, each of which will have disclaimed any responsibility for such information, and such information will be out of date and none of which shall provide any updated information thereon. If there has been any change in the Reference Asset(s) since the date of the Final Terms, this may have an adverse effect on the pay-out and/or value of the relevant Inventory Securities. Moreover, any change in the situation or condition of the Issuer and/or the Guarantor (if applicable) since the date of the Final Terms will not be disclosed and may have an adverse effect on the value of the relevant Inventory 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 (if specified to be applicable in the relevant Final Terms) 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 63 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 and changes in interest and exchange rates. Commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, the participation of speculators and government regulation and intervention. These circumstances could also adversely affect prices of the relevant commodity. Therefore, commodity prices may be more volatile than other asset classes and investments in commodities may be 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, 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 or adjustments to the Conditions 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. In July 2010, the United States enacted into law the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") which provides for substantial changes to the regulatory scheme governing the trading of futures contracts. The Dodd-Frank Act requires regulators, including the Commodity Futures Trading Commission (the "**CFTC**") to adopt regulations in order to implement many of the requirements of the legislation. While the CFTC has proposed certain of the required regulations and has begun adopting certain final regulations, the ultimate nature and scope of the regulations cannot yet be determined. The CFTC is required to adopt regulations imposing, amongst other things, limits on positions in all commodities, and across all markets, with some exceptions for positions held for hedging purposes. The CFTC has approved a final rule to impose limits on the size of positions that can be held by market participants in futures and OTC derivatives on physical commodities. While the rules have not yet taken effect, and their impact is not yet known, these limits are likely to restrict the ability of market participants to participate in the commodity, future and swap markets and markets for other OTC derivatives on physical commodities to the extent and at the levels that they have in the past. These factors may have the effect of reducing liquidity and increasing costs in these markets as well as affecting the structure of the markets in other ways. In addition, these legislative and regulatory changes are likely to increase the level of regulation of markets and market participants, and therefore the costs of participating in the commodities, futures and OTC derivative markets. Amongst other things, these changes will require many OTC derivative transactions to be executed on regulated exchanges or trading platforms and cleared through regulated clearing houses. Swap dealers will also be required to be registered and will be subject to various regulatory requirements, including capital and margin requirements. The Dodd-Frank Act also potentially increases the level of regulation to which market participants are subject. While the CFTC has proposed certain of the required regulations and has begun adopting certain final regulations, it is not yet possible to determine the effect that the Dodd-Frank Act and the CFTC's regulations will have on the futures markets and their participants. However, the regulations will most likely increase the costs associated with the trading of futures contracts and limit the size of positions that can be held by traders. These factors could in turn result in reductions in market liquidity and increases in market volatility, which could adversely affect the performance of the futures contracts and/or underlying commodities. The adoption of position limit regulations may result in the occurrence of a "Change in Law" under the Commodity Linked Provisions entitling the Issuer to amend the Conditions of the Securities or redeem the Securities early.

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 risks 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 **Regulatory Risk**

(a) ***JPMorgan Chase operates within a highly regulated industry, and JPMorgan Chase's businesses and results are significantly affected by the laws and regulations to which it is subject***

As a global financial services firm, JPMorgan Chase is subject to extensive and comprehensive regulation under state and federal laws in the United States and the laws of the various jurisdictions outside the United States in which JPMorgan Chase does business. These laws and regulations significantly affect the way that JPMorgan Chase does business, and can restrict the scope of its existing businesses and limit its ability to expand its product offerings or to pursue acquisitions, or can make its products and services more expensive for clients and customers.

(b) ***The full impact of the Dodd-Frank Act on JPMorgan Chase's businesses, operations and earnings remains uncertain because of the extensive rule-making still to be completed***

The Dodd-Frank Act, enacted in 2010, significantly increases the regulation of the financial services industry. The U.S. Department of the Treasury, the Financial Stability Oversight Council (the "**FSOC**"), the Securities and Exchange Commission (the "**SEC**"), the CFTC, the Board of Governors of the Federal Reserve System (the "**Federal Reserve**"), the OCC, the Bureau of Consumer Financial Protection ("**CFPB**") and the FDIC are engaged in extensive rule-making mandated by the Dodd-Frank Act, and much of the rule-making remains to be done. As a result, the complete impact of the Dodd-Frank Act on JPMorgan Chase remains uncertain. Certain aspects of the Dodd-Frank Act and such rule-making are discussed in more detail below.

Debit interchange. On 1 October 2011, the Federal Reserve adopted final rules implementing the "Durbin Amendment" provisions of the Dodd-Frank Act, which limit the amount JPMorgan Chase can charge for each debit card transaction it processes. JPMorgan Chase believes that, as a result of the Durbin Amendment, its annualised net income may be reduced by approximately $600 million per year. Although JPMorgan Chase continues to consider various actions that it may take to mitigate this anticipated reduction in net income, it is unlikely that any such actions would wholly offset such reduction.

Volcker Rule. JPMorgan Chase will be affected by the requirements of Section 619 of the Dodd-Frank Act, and specifically the provisions prohibiting proprietary trading and restricting the activities involving private equity and hedge funds (the "**Volcker Rule**"). Until the final regulations under the Volcker Rule are adopted, the precise definition of prohibited "proprietary trading", the scope of any exceptions for market making and hedging, and the scope of permitted hedge fund and private equity fund activities remains uncertain. It is unclear under the proposed rules whether some portion of JPMorgan Chase's market-making and risk mitigation activities, as currently conducted, will be required to be curtailed or will be otherwise adversely affected. In addition, the rules, if enacted as proposed, would prohibit certain securitisation structures and would bar U.S. banking entities from sponsoring or investing in certain non-U.S. funds. Also, with respect to certain of JPMorgan Chase's investments in illiquid private equity funds, should regulators not exercise their authority to permit JPMorgan Chase to hold such investments beyond the minimum statutory divestment period, JPMorgan Chase could incur substantial losses when it disposes of such investments, as it may be forced to sell such investments at a substantial discount in the secondary market as a result of both the constrained timing of such sales and the possibility that other financial institutions are likewise liquidating their investments at the same time.

Derivatives. Under the Dodd-Frank Act, JPMorgan Chase will be subject to comprehensive regulation of JPMorgan Chase's derivatives businesses, including capital and margin requirements, central clearing of standardised over-the-counter derivatives and the requirement that they be traded on regulated trading platforms, and heightened supervision. In addition, the Dodd-Frank Act requires banking entities, such as JPMorgan Chase, to significantly restructure their derivatives businesses, including changing the legal entities through which such businesses are conducted. Further, the proposed margin rules for uncleared swaps may apply extraterritorially to U.S. firms doing business with clients outside of the United States. Clients of non-U.S. firms doing business outside the United States would not be required to post margin in similar transactions. If these margin rules become final as currently drafted, JPMorgan Chase could be at a significant competitive disadvantage to its non-U.S. competitors, which could have a material adverse effect on the earnings and profitability of JPMorgan Chase's wholesale businesses.

Heightened prudential standards for systemically important financial institutions. Under the Dodd-Frank Act, JPMorgan Chase is considered a systemically important financial institution and is subject to the heightened standards and supervision prescribed by the Act including heightened capital, leverage, liquidity, risk management, resolution plan, concentration limit, credit exposure reporting, and early remediation requirements. If the proposed rules that were issued on 20 December 2011 are adopted as currently proposed, they are likely to increase JPMorgan Chase's operational, compliance and risk management costs, and could have an adverse effect on JPMorgan Chase's business, results of operations or financial condition.

CFPB. The Dodd-Frank Act established the CFPB, a new regulatory agency which has authority to regulate providers of credit, payment and other consumer financial products and services and which has examination authority over large banks, such as JPMorgan Chase Bank, N.A. and Chase Bank USA, N.A., with respect to their consumer financial products and services. Although JPMorgan Chase is unable to predict what specific measures the CFPB may take in applying its regulatory mandate, any new regulatory requirements or changes to existing requirements that the CFPB may promulgate could require changes in JPMorgan Chase's consumer businesses and result in increased compliance costs and impair the profitability of such businesses. In addition, as a result of the Dodd-Frank Act's potential expansion of the authority of state attorneys general to bring actions to enforce federal consumer protection legislation, JPMorgan Chase could potentially be subject to additional

state lawsuits and enforcement actions, thereby further increasing its legal and compliance costs.

Resolution and Recovery. The FDIC and the Federal Reserve have issued a final rule that will require JPMorgan Chase to submit periodically to the Federal Reserve, the FDIC and the FSOC a resolution plan under the U.S. Bankruptcy Code in the event of material financial distress or failure (a "**resolution plan**"). In 2012, the FDIC also issued a final rule that will require JPMorgan Chase to submit periodic contingency plans to the FDIC under the Federal Deposit Insurance Act outlining its resolution plan in the event of its failure. JPMorgan Chase's initial resolution plan submissions are due on 1 July 2012, with annual updates thereafter, and JPMorgan Chase is in the process of developing its resolution plans. If the FDIC and the Federal Reserve determine that JPMorgan Chase's resolution plan is not credible or would not facilitate an orderly resolution under the U.S. Bankruptcy Code, the FDIC and the Federal Reserve may jointly impose more stringent capital, leverage or liquidity requirements, or restrictions on the growth, activities or operations of JPMorgan Chase, or require JPMorgan Chase to restructure, reorganise or divest certain assets or operations in order to facilitate an orderly resolution. Any such measures, particularly those aimed at the disaggregation of JPMorgan Chase, may increase JPMorgan Chase's systems, technology and managerial costs, reduce JPMorgan Chase's capital, lessen efficiencies and economies of scale and potentially impede JPMorgan Chase's business strategies.

Elimination of Use of External Credit Ratings. In December 2011, the Federal Reserve, the OCC and the FDIC issued proposed rules for risk-based capital guidelines which would eliminate the use of external credit ratings for the calculation of risk-weighted assets. If the rules become final as currently proposed, they would result in a significant increase in the calculation of JPMorgan Chase's risk-weighted assets, which could require JPMorgan Chase to hold more capital, increase its cost of doing business and place JPMorgan Chase at a competitive disadvantage to non-U.S. competitors.

Concentration Limits. The Dodd-Frank Act restricts acquisitions by financial companies if, as a result of the acquisition, the total liabilities of the financial company would exceed 10 per cent. of the total liabilities of all financial companies. The Federal Reserve is expected to issue rules related to these provisions of the Dodd-Frank Act in 2012. This concentration limit could restrict JPMorgan Chase's ability to make acquisitions in the future, thereby adversely affecting its growth prospects.

The total impact of the Dodd-Frank Act cannot be fully assessed without taking into consideration how non-U.S. policymakers and regulators will respond to the Dodd-Frank Act and the implementing regulations under the Act, and how the cumulative effects of both U.S. and non-U.S. laws and regulations will affect the businesses and operations of JPMorgan Chase. Additional legislative or regulatory actions in the United States, the European Union ("**EU**") or in other countries could result in a significant loss of revenue for JPMorgan Chase, limit JPMorgan Chase's ability to pursue business opportunities in which it might otherwise consider engaging, affect the value of assets that JPMorgan Chase holds, require JPMorgan Chase to increase its prices and therefore reduce demand for its products, impose additional costs on JPMorgan Chase, or otherwise adversely affect JPMorgan Chase's businesses. Accordingly, any such new or additional legislation or regulations could have an adverse effect on JPMorgan Chase's business, results of operations or financial condition.

(c) ***The Basel III capital standards will impose additional capital, liquidity and other requirements on JPMorgan Chase that could decrease its competitiveness and profitability***

The Basel Committee on Banking Supervision (the "**Basel Committee**") announced in December 2010 revisions to its Capital Accord (commonly referred to as "**Basel III**"), which will require higher capital ratio requirements for banks, narrow the definition of capital, expand the definition of risk-weighted assets, and introduce short-term liquidity and term funding standards, among other things.

Capital Surcharge. In June 2011, the Basel Committee and the FSB proposed that global systemically important banks ("**GSIBs**") be required to maintain additional capital above the Basel III Tier 1 common equity minimum. Based on JPMorgan Chase's current understanding

of these new capital requirements, JPMorgan Chase expects that it will be in compliance with all of the standards to which it will be subject as they become effective. However, compliance with these capital standards may adversely affect JPMorgan Chase's operational costs, reduce its return on equity, or cause JPMorgan Chase to alter the types of products it offers to its customers and clients, thereby causing JPMorgan Chase's products to become less attractive or placing JPMorgan Chase at a competitive disadvantage to financial institutions, both within and outside the United States, that are not subject to the same capital surcharge.

Liquidity Coverage and Net Stable Funding Ratios. The Basel Committee has also proposed two new measures of liquidity risk: the "liquidity coverage ratio" and the "net stable funding ratio," which are intended to measure, over different time spans, the amount of the liquid assets held by JPMorgan Chase. If the ratios are finalised as currently proposed, JPMorgan Chase may need, in order to be in compliance with such ratios, to incur additional costs to raise liquidity from sources that are more expensive than its current funding sources and may need to take certain mitigating actions, such as ceasing to offer certain products to its customers and clients or charging higher fees for extending certain lines of credit. Accordingly, compliance with these liquidity coverage standards could adversely affect JPMorgan Chase's funding costs or reduce its profitability in the future.

(d) ***Non-U.S. regulations and initiatives may be inconsistent or may conflict with current or proposed regulations in the United States, which could create increased compliance and other costs and adversely affect JPMorgan Chase's businesses, operations or financial conditions***

The EU has created a European Systemic Risk Board to monitor financial stability, and the Group of Twenty Finance Ministers and Central Bank Governors ("**G-20**") broadened the membership and scope of the Financial Stability Forum in 2008 to form the Financial Stability Board (the "**FSB**"). These institutions, which are charged with developing ways to promote cross-border financial stability, are considering various proposals to address risks associated with global financial institutions. Some of the initiatives adopted include increased capital requirements for certain trading instruments or exposures and compensation limits on certain employees located in affected countries. In the U.K., regulators have increased liquidity requirements for local financial institutions, including regulated U.K. subsidiaries of non-U.K. bank holding companies and branches of non-U.K. banks located in the U.K.; adopted a Bank Tax Levy that applies to balance sheets of branches and subsidiaries of non-U.K. banks; and proposed the creation of resolution and recovery plans by U.K. regulated entities, among other initiatives.

The regulatory schemes and requirements that are being proposed by various regulators around the world may be inconsistent or conflict with regulations to which JPMorgan Chase is subject in the United States (as well as in other parts of the world), thereby subjecting JPMorgan Chase to higher compliance and legal costs, as well as the possibility of higher operational, capital and liquidity costs, all of which could have an adverse effect on JPMorgan Chase's business, results of operations and profitability in the future.

(e) ***Expanded regulatory oversight of JPMorgan Chase's consumer businesses will increase JPMorgan Chase's compliance costs and risks and may negatively affect the profitability of such businesses***

JPMorgan Chase's consumer businesses are subject to increasing regulatory oversight and scrutiny with respect to its compliance under consumer laws and regulations, including changes implemented as a part of the Dodd-Frank Act. JPMorgan Chase has entered into Consent Orders with banking regulators relating to its residential mortgage servicing, foreclosure and loss-mitigation activities. The Consent Orders require significant changes to JPMorgan Chase's servicing and default business; the submission and implementation of a comprehensive action plan setting forth the steps necessary to ensure JPMorgan Chase's residential mortgage servicing, foreclosure and loss-mitigation activities are conducted in accordance with the requirements of the Consent Orders; and other remedial actions that JPMorgan Chase has undertaken to ensure that it satisfies all requirements of the Consent Orders. JPMorgan Chase also agreed in February 2012 to a settlement in principle with a number of federal and state government agencies, including the U.S. Department of Justice,

the U.S. Department of Housing and Urban Development, the CFPB and the State Attorneys General, relating to the servicing and origination of mortgages. This global settlement requires JPMorgan Chase to make cash payments and provide certain refinancing and other borrower relief, as well as to adhere to certain enhanced mortgage servicing standards.

In addition, any new regulatory requirements or changes to existing requirements that the CFPB may promulgate could require changes in the product offerings and practices of JPMorgan Chase's consumer businesses, result in increased compliance costs and affect the profitability of such businesses.

Finally, as a result of increasing federal and state scrutiny of JPMorgan Chase's consumer practices, JPMorgan Chase may face a greater number or wider scope of investigations, enforcement actions and litigation in the future, thereby increasing its costs associated with responding to or defending such actions. In addition, increased regulatory inquiries and investigations, as well as any additional legislative or regulatory developments affecting JPMorgan Chase's consumer businesses, and any required changes to JPMorgan Chase's business operations resulting from these developments, could result in significant loss of revenue, limit the products or services JPMorgan Chase offers, require JPMorgan Chase to increase its prices and therefore reduce demand for its products, impose additional compliance costs on JPMorgan Chase, cause harm to JPMorgan Chase's reputation or otherwise adversely affect its consumer businesses. In addition, if JPMorgan Chase does not appropriately comply with current or future legislation and regulations that apply to its consumer operations, it may be subject to fines, penalties or judgments, or material regulatory restrictions on its businesses, which could adversely affect JPMorgan Chase's operations and, in turn, its financial results.

6.2 **Market Risk**

(a) ***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 are materially affected by economic and market conditions, including 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; events that reduce confidence in the financial markets; inflation and unemployment; the availability and cost of capital and credit; the occurrence of natural disasters, acts of war or terrorism; and the health of U.S. or international economies.

In JPMorgan Chase's wholesale businesses, the above-mentioned factors can affect transactions involving JPMorgan Chase's underwriting and advisory businesses; the realisation of cash returns from its private equity business; the volume of transactions that JPMorgan Chase executes for its customers and, therefore, the revenue that JPMorgan Chase receives from commissions and spreads; and the willingness of financial sponsors or other investors to participate in loan syndications or underwritings managed by JPMorgan Chase.

JPMorgan Chase generally maintains extensive positions in the fixed income, currency, commodities and equity markets to facilitate client demand and provide liquidity to clients. From time to time JPMorgan Chase may have market-making positions that lack pricing transparency or liquidity. The revenue derived from these positions is affected by many factors, including JPMorgan Chase's 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, all of which are affected by economic and market conditions. JPMorgan Chase anticipates that revenue relating to its market-making and private equity businesses will continue to experience volatility, which will affect pricing or the ability to realise returns from such activities, and that this could 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 securities 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. Macroeconomic or market concerns may also prompt outflows from JPMorgan Chase's funds or accounts.

Changes in interest rates will affect the level of assets and liabilities held on JPMorgan Chase's balance sheet and the revenue JPMorgan Chase earns from net interest income. A low interest rate environment or a flat or inverted yield curve may adversely affect certain of JPMorgan Chase's businesses by compressing net interest margins, reducing the amounts JPMorgan Chase earns on its investment securities portfolio, or reducing the value of its mortgage servicing rights ("**MSR**") asset, thereby reducing JPMorgan Chase's net interest income and other revenues.

JPMorgan Chase's consumer businesses are particularly affected by domestic economic conditions, including 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. Any further deterioration in current economic conditions, or the failure of the economy to rebound in the near term, could 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 continuing declines in home prices or persistent high levels of unemployment, could lead to an increase in mortgage, credit card and other loan delinquencies and higher net charge-offs, which can reduce JPMorgan Chase's earnings.

Widening of credit spreads makes it more expensive for JPMorgan Chase to borrow on both a secured and unsecured basis. Credit spreads widen or narrow not only in response to events and circumstances specific to JPMorgan Chase, but also as a result of general economic and geopolitical events and conditions. Changes in JPMorgan Chase's credit spreads will impact, positively or negatively, JPMorgan Chase's earnings on liabilities that are recorded at fair value.

(b) ***The outcome of the EU sovereign debt crisis could have adverse effects on JPMorgan Chase's businesses, operations and earnings***

Despite various assistance packages and facilities for Greece, Ireland and Portugal, it is not possible to predict how markets will react if one or more of these countries were to default, and such a default, if it were to occur, could lead to "market contagion" in other Eurozone countries and thereby adversely affect the market value of securities and other obligations held by JPMorgan Chase's Investment Bank, Asset Management, Treasury & Securities Services and Chief Investment Office businesses. In addition, the departure of any Eurozone country from the Euro could lead to serious foreign exchange, operational and settlement disruptions, which, in turn, may have a negative impact on JPMorgan Chase's operations and businesses.

6.3 **Credit Risk**

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

If the current economic environment were to deteriorate further, or not rebound in the near term, more of JPMorgan Chase's customers may become delinquent on their loans or other obligations to JPMorgan Chase which, in turn, could result in a higher level of charge-offs and provisions for credit losses, or in requirements that JPMorgan Chase purchase assets from or provide other funding to its clients and counterparties, 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 in the market 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 market-making and clearing businesses.

Financial services institutions are interrelated as a result of market-making, 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 a default by the counterparty or client. JPMorgan Chase is a market leader in providing clearing, custodial and prime brokerage services for financial services companies. When such a client of JPMorgan Chase becomes bankrupt or insolvent, JPMorgan Chase may become entangled in significant disputes and litigation with the client's bankruptcy estate and other creditors or involved in regulatory investigations, all of which can increase JPMorgan Chase's operational and litigation costs.

During periods of market stress or illiquidity, JPMorgan Chase's credit risk also may be further increased when JPMorgan Chase cannot realise the fair value of the collateral held by it or when collateral is liquidated at prices that are not sufficient to recover the full amount of the loan, derivative or other exposure due to JPMorgan Chase. Further, disputes with counterparties as to the valuation of collateral significantly increase in times of market stress and illiquidity. Periods of illiquidity, as experienced in 2008 and early 2009, may occur again and could produce losses if JPMorgan Chase is unable to realise the fair value of collateral or manage declines in the value of collateral.

(b) ***Concentration of credit and market risk could increase the potential for significant losses***

JPMorgan Chase has exposure to increased levels of risk when 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. As a result, 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.

In addition, disruptions in the liquidity or transparency of the financial markets may result in JPMorgan Chase's inability to sell, syndicate or realise the value of its positions, thereby leading to increased concentrations. The inability to reduce JPMorgan Chase's positions may not only increase the market and credit risks associated with such positions, but also increase 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.

6.4 **Liquidity Risk**

If JPMorgan Chase does not effectively manage its liquidity, its business could suffer

JPMorgan Chase's liquidity is critical to its ability to operate its businesses. Some potential conditions that could impair JPMorgan Chase's liquidity include markets that become illiquid or are otherwise experiencing disruption, unforeseen cash or capital requirements (including, among others, commitments that may be triggered to special purpose entities ("**SPEs**") or other entities), difficulty in selling or inability to sell assets, unforeseen outflows of cash or collateral, and lack of market or customer confidence in JPMorgan Chase or financial markets in general. These conditions may be caused by events over which JPMorgan Chase has little or no control. The widespread crisis in investor confidence and resulting 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, credit card receivables and other assets, and there is no assurance that these conditions could not occur in the future.

Bank deposits are a stable and low cost source of funding. If JPMorgan Chase does not successfully attract deposits (because, for example, competitors raise the interest rates that they are willing to pay to depositors, and accordingly, customers move their deposits elsewhere), JPMorgan Chase may need to replace such funding with more expensive funding, which would reduce JPMorgan Chase's net interest margin and net interest income.

Debt obligations of JPMorgan Chase & Co., JPMorgan Chase Bank, N.A. and certain of their subsidiaries are currently rated by credit rating agencies. These credit ratings are important to maintaining JPMorgan Chase's liquidity. A reduction in these credit ratings could reduce

JPMorgan Chase's access to debt markets or materially increase the cost of issuing debt, trigger additional collateral or funding requirements, and decrease the number of investors and counterparties willing or permitted, contractually or otherwise, to do business with or lend to JPMorgan Chase, thereby curtailing JPMorgan Chase's business operations and reducing its profitability. Reduction in the ratings of certain SPEs or other entities to which JPMorgan Chase has funding or other commitments could also impair JPMorgan Chase's 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, leading market shares, strong credit quality and risk management controls, diverse funding sources, and disciplined liquidity monitoring procedures. Although JPMorgan Chase closely monitors and manages factors influencing its credit ratings, there is no assurance that such ratings will not be lowered in the future. For example, the rating agencies have indicated they intend to re-evaluate the credit ratings of systemically important financial institutions in light of the provisions of the Dodd-Frank Act that seek to eliminate any implicit government support for such institutions. In addition, several rating agencies have indicated that recent economic and geopolitical trends, including deteriorating sovereign creditworthiness (particularly in the Eurozone), elevated economic uncertainty and higher funding spreads, could lead to downgrades in the credit ratings of many global banks, including JPMorgan Chase. Any such downgrades from rating agencies, if they affected JPMorgan Chase's credit ratings, may occur at times of broader market instability when JPMorgan Chase's options for responding to events may be more limited and general investor confidence is low.

As a holding company, JPMorgan Chase & Co. relies on the earnings of its subsidiaries for its cash flow and, consequently, its ability to pay dividends and satisfy its debt and other 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 reduce its liquidity position.

Some global regulators have proposed legislation or regulations requiring large banks to incorporate a separate subsidiary in every country in which they operate, and to maintain independent capital and liquidity for such subsidiaries. If adopted, these requirements could hinder JPMorgan Chase's ability to manage its liquidity efficiently.

6.5 Legal Risk

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

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. There is no assurance that litigation with private parties will not increase in the future, particularly with respect to litigation related to the issuance or underwriting by JPMorgan Chase of mortgage-backed securities ("**MBS**"). Actions currently pending against JPMorgan Chase may result in judgments, settlements, fines, penalties or other results adverse to JPMorgan Chase, which could materially adversely affect JPMorgan Chase's business, financial condition or results of operations, or cause serious reputational harm to JPMorgan Chase. As a participant in the financial services industry, it is likely that JPMorgan Chase will continue to experience a high level of litigation related to its businesses and operations.

JPMorgan Chase's businesses and operations are also subject to increasing regulatory oversight and scrutiny, which may lead to additional regulatory investigations. For example, in January 2012, the U.S. Department of Justice, the New York State Attorney General, the Secretary for Housing and Urban Development and the SEC announced the formation of the Residential Mortgage-Backed Securities Working Group to investigate "those responsible for misconduct contributing to the financial crisis" through the pooling and sale of residential MBS. These and other initiatives from state and federal officials may subject JPMorgan Chase

to additional judgments, settlements, fines or penalties, or cause JPMorgan Chase to be required to restructure its operations and activities, all of which could lead to reputational issues, or higher operational costs, thereby reducing JPMorgan Chase's revenue.

6.6 **Business and Operational Risks**

(a) ***JPMorgan Chase's results of operations may be adversely affected by loan repurchase and indemnity obligations***

In connection with the sale and securitisation of loans (whether with or without recourse), the originator is generally required to make a variety of representations and warranties regarding both the originator and the loans being sold or securitised. JPMorgan Chase and some of its subsidiaries have made such representations and warranties in connection with the sale and securitisation of loans, and JPMorgan Chase will continue to do so when it securitises loans it has originated. If a loan that does not comply with such representations or warranties is sold or securitised, JPMorgan Chase may be obligated to repurchase the loan and incur any associated loss directly, or JPMorgan Chase may be obligated to indemnify the purchaser against any such losses. In 2010 and 2011, the costs of repurchasing mortgage loans that had been sold to U.S. government-sponsored entities ("**GSEs**"), such as Fannie Mae and Freddie Mac, continued to be elevated, and there is no assurance that such costs will not continue to be elevated in the future. Accordingly, repurchase or indemnity obligations to the GSEs or to private third-party purchasers could materially and adversely affect JPMorgan Chase's results of operations and earnings in the future.

The repurchase liability that JPMorgan Chase records with respect to its loan repurchase obligations is estimated based on several factors, including the level of current and estimated probable future repurchase demands made by purchasers, JPMorgan Chase's ability to cure the defects identified in the repurchases demands, and the severity of loss upon repurchase or foreclosure. While JPMorgan Chase believes that its current repurchase liability reserves are adequate, the factors referred to above are subject to change in light of market developments, the economic environment and other circumstances. Accordingly, such reserves may be increased in the future.

JPMorgan Chase also faces litigation related to securitisations, primarily related to securitisations not sold to the GSEs. JPMorgan Chase separately evaluates its exposure to such litigation in establishing its litigation reserves. While JPMorgan Chase believes that its current reserves in respect of such litigation matters are adequate, there can be no assurance that such reserves will not need to be increased in the future.

(b) ***JPMorgan Chase may incur additional costs and expenses in ensuring that it satisfies requirements relating to mortgage foreclosures***

JPMorgan Chase has, as described above, entered into the Consent Orders with banking regulators relating to its residential mortgage servicing, foreclosure and loss-mitigation activities, and agreed to the global settlement with federal and state government agencies relating to the servicing and origination of mortgages. JPMorgan Chase expects to incur additional costs and expenses in connection with its efforts to enhance its mortgage origination, servicing and foreclosure procedures, including the enhancements required under the Consent Orders and the global settlement.

(c) ***JPMorgan Chase's 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 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 is also engaged in power generation and has invested in companies engaged in wind energy and in sourcing, developing and trading emission reduction credits. As a result of all 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 commodities activities to expand in scope and complexity, and to restrict some of JPMorgan Chase's activities, which could result in lower revenues from JPMorgan Chase's commodities activities. In addition, 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. Furthermore, liability may be incurred without regard to fault under certain environmental laws and regulations for remediation of contaminations.

JPMorgan Chase's commodities activities also further expose JPMorgan Chase 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. JPMorgan Chase's commodities activities are also subject to disruptions, many of which are outside of JPMorgan Chase's 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's 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.

(d) ***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 JPMorgan Chase's ability to process, record and monitor a large number of complex transactions. If JPMorgan Chase's 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 or more of its employees causes a significant operational breakdown or failure, either as a result of human error or where an individual purposefully sabotages or fraudulently manipulates JPMorgan Chase's 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, increased operating expenses, higher litigation costs (including fines and sanctions), reputational damage, regulatory intervention or weaker competitive standing, 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 through the fault of JPMorgan Chase's systems, employees, or counterparties, or where 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 JPMorgan Chase's control, which may include, for example, security breaches (as discussed further below); electrical or telecommunications outages; failures of computer servers 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. As

processes are changed, or new products and services are introduced, JPMorgan Chase may not fully appreciate or identify new operational risks that may arise from such changes. 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 business and results of operations by requiring JPMorgan Chase 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.

(e) ***A breach in the security of JPMorgan Chase's systems could disrupt its businesses, result in the disclosure of confidential information, damage its reputation and create significant financial and legal exposure for JPMorgan Chase***

Although JPMorgan Chase devotes significant resources to maintain and regularly upgrade its systems and processes that are designed to protect the security of JPMorgan Chase's computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to JPMorgan Chase and its customers, there is no assurance that all of JPMorgan Chase's security measures will provide absolute security. JPMorgan Chase and other financial services institutions and companies engaged in data processing have reported breaches in the security of their websites or other systems, some of which have involved sophisticated and targeted attacks intended to obtain unauthorised access to confidential information, destroy data, disable or degrade service, or sabotage systems, often through the introduction of computer viruses or malware, cyber attacks and other means. Despite JPMorgan Chase's efforts to ensure the integrity of its systems, it is possible that JPMorgan Chase may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognised until launched, and because security attacks can originate from a wide variety of sources, including third parties outside JPMorgan Chase such as persons involved with organised crime or associated with external service providers. Those parties may also attempt to fraudulently induce employees, customers or other users of JPMorgan Chase's systems to disclose sensitive information in order to gain access to JPMorgan Chase's data or that of its customers or clients. These risks may increase in the future as JPMorgan Chase continues to increase its mobile payments and other internet-based product offerings and expands its internal usage of web-based products and applications.

A successful penetration or circumvention of the security of JPMorgan Chase's systems could cause serious negative consequences for JPMorgan Chase, including significant disruption of JPMorgan Chase's operations, misappropriation of confidential information of JPMorgan Chase or that of its customers, or damage to computers or systems of JPMorgan Chase and those of its customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to JPMorgan Chase or to its customers, loss of confidence in JPMorgan Chase's security measures, customer dissatisfaction, significant litigation exposure, and harm to JPMorgan Chase's reputation, all of which could have a material adverse effect on JPMorgan Chase.

(f) ***JPMorgan Chase's international growth strategy may be hindered by local political, social and economic factors, and will be subject to additional compliance costs and risks***

JPMorgan Chase has expanded, and plans to continue to grow, its international wholesale businesses in Europe/Middle East/Africa ("**EMEA**"), Asia/Pacific and Latin America/Caribbean. As part of its international growth strategy, JPMorgan Chase seeks to provide a wider range of financial services, including cash management, lending, trade finance and corporate advisory services, to its clients that conduct business in those regions. In furtherance of these initiatives, JPMorgan Chase is selectively expanding its existing international operations, including through the addition of client-serving bankers and product and sales support personnel.

Many of the countries in which JPMorgan Chase intends to grow its wholesale businesses have economies or markets that are less developed and more volatile, and may have legal and regulatory regimes that are less established or predictable, than the United States and other developed markets in which JPMorgan Chase operates. Some of these countries have in the past experienced severe economic disruptions, including extreme currency fluctuations, high

inflation, or low or negative growth, among other negative conditions, or have imposed restrictive monetary policies such as currency exchange controls and other laws and restrictions that adversely affect the local and regional business environment. In addition, these countries have historically been more susceptible to unfavourable political, social or economic developments which have in the past resulted in, and may in the future lead to, social unrest, general strikes and demonstrations, outbreaks of hostilities, overthrow of incumbent governments, terrorist attacks or other forms of internal discord, all of which can adversely affect JPMorgan Chase's operations or investments in such countries. Political, social or economic disruption or dislocation in countries or regions in which JPMorgan Chase seeks to expand its wholesale businesses can hinder the growth and profitability of those operations, and there can be no assurance that JPMorgan Chase will be able to successfully execute its international growth initiatives.

Less developed legal and regulatory systems in certain countries can also have adverse consequences on JPMorgan Chase's operations in those countries, including, among others, the absence of a statutory or regulatory basis or guidance for engaging in specific types of business or transactions, or the inconsistent application or interpretation of existing laws and regulations; uncertainty as to the enforceability of contractual obligations; difficulty in competing in economies in which the government controls or protects all or a portion of the local economy or specific businesses, or where graft or corruption may be pervasive; and the threat of arbitrary regulatory investigations, civil litigations or criminal prosecutions.

Conducting business in countries with less developed legal and regulatory regimes often requires JPMorgan Chase to devote significant additional resources to understanding, and monitoring changes in, local laws and regulations, as well as structuring its operations to comply with local laws and regulations and implementing and administering related internal policies and procedures. There can be no assurance that JPMorgan Chase will always be successful in its efforts to conduct its business in compliance with laws and regulations in countries with less predictable legal and regulatory systems. In addition, JPMorgan Chase can also incur higher costs, and face greater compliance risks, in structuring its operations outside the United States to comply with U.S. anti-corruption and anti-money laundering laws and regulations.

(g) ***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 U.S. and non-U.S. regulatory authorities and agencies. The Federal Reserve regulates the supply of money and credit in the United States and its policies determine in large part the cost of funds for lending and investing in the United States and the return earned on those loans and investments. Changes in Federal Reserve policies (as well as the fiscal and monetary policies of non-U.S. central banks or regulatory authorities and agencies) are beyond JPMorgan Chase's control and, consequently, the impact of changes in these policies on JPMorgan Chase's activities and results of operations is difficult to predict.

JPMorgan Chase's businesses and revenue are also subject to risks inherent in investing and market-making in securities of companies worldwide. These risks include, among others, risk of loss from unfavourable political, legal or other developments, including social or political instability, expropriation, nationalisation, confiscation of assets, price controls, capital controls, exchange controls, and changes in laws and regulations. Crime, corruption, war or military actions, acts of terrorism and a lack of an established legal and regulatory framework are additional challenges in certain emerging markets.

Revenue from international operations and trading in non-U.S. securities and other obligations 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 JPMorgan Chase's operations in the United States. As a result, any such unfavourable conditions or developments could have an adverse impact on JPMorgan Chase's business and results of operations.

Several of JPMorgan Chase's businesses engage in transactions with, or trade in obligations of, U.S. and non-U.S. governmental entities, including national, state, provincial, municipal and local authorities. These activities can expose JPMorgan Chase to enhanced sovereign, credit-related, operational and reputational risks, including the risks that a governmental entity may default on or restructure its obligations or may claim that actions taken by government officials were beyond the legal authority of those officials, which could adversely affect JPMorgan Chase's financial condition and results of operations.

Further, various countries in which JPMorgan Chase operates or invests, or in which JPMorgan Chase 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. Concerns regarding the fiscal condition of certain countries within the Eurozone continue and there is no assurance such concerns will not lead to "market contagion" beyond those countries in the Eurozone or beyond the Eurozone. Accordingly, it is possible that economic disruptions in certain countries, even in countries in which JPMorgan Chase does not conduct business or have operations, will adversely affect JPMorgan Chase.

(h) ***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 expand 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 efforts could divert management attention and resources, which could adversely affect JPMorgan Chase's operations or results. JPMorgan Chase cannot provide assurance that any such integration efforts would not result in the occurrence of unanticipated costs or losses.

Acquisitions may also result in business disruptions that cause JPMorgan Chase to lose customers or cause customers to 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 other business partners. The loss of key employees in connection with an acquisition could adversely affect JPMorgan Chase's ability to successfully conduct its business.

6.7 **Risk Management**

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

JPMorgan Chase's risk management framework seeks to mitigate risk and loss to JPMorgan Chase. 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, country risk, private equity risk, operational risk, legal and fiduciary risk, and reputational risk, among others. However, as with any risk management framework, there are inherent limitations to JPMorgan Chase's risk management strategies because there may exist, or develop in the future, risks that JPMorgan Chase has not appropriately anticipated or identified. If JPMorgan Chase's risk management framework proves ineffective, JPMorgan Chase could suffer unexpected losses and could be materially adversely affected. 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. As a result, 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. In addition, in a difficult or less liquid market environment, JPMorgan Chase's risk management strategies may not be effective because other market participants may be attempting to use the same or similar

strategies to deal with the challenging 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 products, including loans, leases, lending commitments, derivatives, trading account assets and assets held-for-sale, expose JPMorgan Chase to credit risk. As one of the nation's largest lenders, JPMorgan Chase has exposures arising from its many different products and counterparties, and the credit quality of JPMorgan Chase's exposures can have a significant impact on its earnings. JPMorgan Chase establishes allowances for probable credit losses that are inherent in its credit exposure (including unfunded lending commitments). JPMorgan Chase also employs stress testing and other techniques to determine the capital and liquidity necessary to protect it in the event of adverse economic or market events. These processes are critical to JPMorgan Chase's financial results and condition, and require difficult, subjective and complex judgments, including forecasts of how economic conditions might impair the ability of JPMorgan Chase's borrowers and counterparties to repay their loans or other obligations. 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.

JPMorgan Chase's market-making businesses may expose JPMorgan Chase 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 financial instrument such as a derivative. 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 unable 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 trades 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 be exposed to market and operational losses. In particular, disputes regarding the terms or the settlement procedures of derivative contracts could arise, which could force JPMorgan Chase to incur unexpected costs, including transaction, legal and litigation costs, and impair JPMorgan Chase's 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 historical 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, 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 JPMorgan Chase to incur losses. JPMorgan Chase cannot provide assurance that its risk management framework, including JPMorgan Chase's underlying assumptions or strategies, will at all times be accurate and effective.

6.8 Other Risks

(a) *The financial services industry is highly competitive, and JPMorgan Chase's inability to compete successfully may adversely affect its results of operations*

JPMorgan Chase operates in a highly competitive environment and JPMorgan Chase expects competitive conditions to continue to intensify as continued consolidation 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.

Competitors include other banks, brokerage firms, investment banking companies, merchant banks, hedge funds, commodity trading companies, 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 its 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 investments 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 competition in the financial services industry will not materially adversely affect its future results of operations.

Competitors of JPMorgan Chase's non-U.S. wholesale businesses are typically subject to different, and in some cases, less stringent, legislative and regulatory regimes. For example, the regulatory objectives underlying several provisions of the Dodd-Frank Act, including the prohibition on proprietary trading under the Volcker Rule, margin requirements for certain non-U.S. derivatives transactions and the derivatives "push-out" rules, have not been embraced by governments and regulatory agencies outside the United States and may not be implemented into law in most countries. The more restrictive laws and regulations applicable to U.S. financial services institutions, such as JPMorgan Chase, can put JPMorgan Chase at a competitive disadvantage to its non-U.S. competitors, including prohibiting JPMorgan Chase from engaging in certain transactions, making JPMorgan Chase's pricing of certain transactions more expensive for clients or adversely affecting JPMorgan Chase's cost structure for providing certain products, all of which can reduce the revenue and profitability of JPMorgan Chase's wholesale businesses.

(b) ***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 JPMorgan Chase's most important resource, and in many areas of the financial services industry, competition for qualified personnel is intense. The imposition on JPMorgan Chase or its employees of certain existing and 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, JPMorgan Chase's performance, including its competitive position, could be materially adversely affected.

(c) ***JPMorgan Chase's financial statements are based in part on assumptions and estimates which, if incorrect, 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 allowances for credit losses, mortgage repurchase liability and reserves related to litigations, among other items. 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, as they are 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. If assumptions or estimates underlying JPMorgan Chase's financial statements are incorrect, JPMorgan Chase may experience material losses.

(d) ***Damage to JPMorgan Chase's reputation could damage its businesses***

Maintaining trust in JPMorgan Chase is critical to JPMorgan Chase's ability to attract and maintain customers, investors and employees. Damage to JPMorgan Chase's reputation can therefore cause significant harm to JPMorgan Chase's business and prospects. Harm to JPMorgan Chase's reputation can arise from numerous sources, including, among others, employee misconduct, compliance failures, litigation or regulatory outcomes or governmental investigations. In addition, a failure to deliver appropriate standards of service and quality, or a failure or perceived failure to treat customers and clients fairly, can result in customer dissatisfaction, litigation and heightened regulatory scrutiny, all of which can lead to lost revenue, higher operating costs and harm to reputation for JPMorgan Chase. Adverse 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, including concerns that consumers have been treated unfairly by financial institutions, has damaged the reputation of the industry as a whole. Should any of these or other events or factors that can undermine JPMorgan Chase's reputation occur, there is no assurance that the additional costs and expenses that JPMorgan Chase may need to incur to address the issues giving rise to the reputational harm could not adversely affect JPMorgan Chase's earnings and results of operations.

Management of potential conflicts of interests has become increasingly complex as JPMorgan Chase continues to expand 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, as well as cause serious reputational harm to JPMorgan Chase.

(e) ***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.

(f) ***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.

(g) ***Limitations of the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee***

The guarantee of JPMorgan Chase Bank, N.A. under the JPMorgan Chase Bank, N.A. Guarantee and of JPMorgan Chase & Co. under the JPMorgan Chase & Co. Guarantee are each limited in scope to the payment and delivery and other obligations of the relevant Issuer in respect of the relevant Securities, and allow each Guarantor to avail itself of all exclusions, exceptions and defences available to the relevant Issuer under the terms and conditions of the Securities and at law. Further, in certain circumstances, the relevant Guarantor will not be obliged under the terms of its Guarantee to satisfy the payment or delivery or other obligations of the relevant Issuer, even where such Issuer has failed to perform such obligations. For example, if the relevant Issuer is prohibited, unable, or otherwise fails to make any payment, or any portion thereof or to perform any other obligation, because or arising out of an act of war, insurrection or civil strife; an action by the government or any governmental authority or instrumentality thereof (whether de jure or de facto); legal constraint; terrorism; riots; or catastrophe, and the Issuer is thereby in default of its payment or delivery or other obligations in respect of a Series of Securities, the relevant Guarantor will be under no obligation under the terms of its Guarantee to satisfy such Issuer's defaulted obligations. See "Form of JPMorgan Chase Bank, N.A. Guarantee" or "Form of JPMorgan Chase & Co. Guarantee" (as applicable) below.

(h) ***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

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

JPMorgan Chase affiliates may take positions in or deal with Reference Asset(s)

The relevant Issuer, the relevant Guarantor (if any) and/or other JPMorgan Chase 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 JPMorgan Chase affiliate, has broad discretionary powers which may not take into account the interests of the Holders

As the Calculation Agent will generally be a JPMorgan Chase 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 JPMorgan Chase affiliate may be the sponsor of an index or strategy which is referenced by a Security

A JPMorgan Chase proprietary index or strategy will generally be developed, owned, calculated and maintained by a JPMorgan Chase 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, JPMorgan Chase will have the authority to make determinations that could materially and adversely affect the value of the Security.

JPMorgan Chase may have confidential information relating to the Reference Assets and the Securities

Certain JPMorgan Chase 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.

A JPMorgan Chase affiliate may act as a hedge counterparty to the Issuer's obligations under the Securities

Certain JPMorgan Chase affiliates may be the counterparty to the hedge of the relevant Issuer's obligations under an issue of Securities. Accordingly, certain conflicts of interest may arise both among such affiliates and between the interests of such affiliates and the interests of purchasers of 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 set forth under II. (*Information*) below contained in the documents set forth under I. (*Documents*) below which, in respect of (i) to (v) 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. **Documents**

(i) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2011 (the "**JPMorgan Chase & Co. 2011 Form 10-K**");

(ii) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2010 (the "**JPMorgan Chase & Co. 2010 Form 10-K**");

(iii) the Current Report on Form 8-K of JPMorgan Chase & Co. dated 4 November 2011 containing revisions to the information contained in the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2010 which reflect changes in JPMorgan Chase & Co.'s business segments that became effective on 1 July 2011;

(iv) the Proxy Statement on Schedule 14A of JPMorgan Chase & Co. dated 4 April 2012 (the "**JPMorgan Chase & Co. 2012 Proxy Statement**");

(v) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2012 (the "**JPMorgan Chase & Co. March 2012 Form 10-Q**");

(vi) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2011 (the "**JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements**");

(vii) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2010 (the "**JPMorgan Chase Bank, N.A. 2010 Audited Financial Statements**");

(viii) the JPMSP audited financial statements for the year ended 31 December 2011 (the "**JPMSP 2011 Audited Financial Statements**");

(ix) the JPMSP audited financial statements for the year ended 31 December 2010 (the "**JPMSP 2010 Audited Financial Statements**");

(x) the JPMBD annual audited financial statements for the year ended 31 December 2011 (the "**JPMBD 2011 Audited Financial Statements**");

(xi) the JPMBD annual audited financial statements for the year ended 31 December 2010 (the "**JPMBD 2010 Audited Financial Statements**");

(xii) the base prospectus dated 13 May 2011 relating to issues of non-equity securities under the Programme by 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 "**2011 Base Prospectus**");

(xiii) Supplement No. 8 dated 15 March 2012 to the 2011 Base Prospectus (the "**2011 Base Prospectus Supplement**");

(xiv) the base prospectus dated 14 May 2010 relating to issues of non-equity securities under the Programme by 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 "**2010 Base Prospectus**");

(xv) Supplement No. 1 dated 4 June 2010 to the 2010 Base Prospectus (the "**2010 Base Prospectus Supplement**");

(xvi) 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 JPMorgan Chase & Co. (the "**2009 Base Prospectus**"); and

(xvii) Supplement No. 6 dated 28 October 2009 to the 2009 Base Prospectus (the "**2009 Base Prospectus Supplement**").

II. **Information**

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.

Any supplements to the 2011 Base Prospectus, the 2010 Base Prospectus or the 2009 Base Prospectus that are not incorporated into this Base Prospectus by reference are not relevant to investors in the Securities.

Information incorporated by reference		**Page reference**
From the JPMorgan Chase & Co. 2011 Form 10-K		
Part I		
Item 1	Business	Page 1
	Overview	Page 1
	Business segments	Page 1
	Competition	Page 1
	Supervision and regulation	Pages 1 to 7
	Distribution of assets, liabilities and stockholders' equity; interest rates and interest differentials	Pages 312 to 316
	Return on equity and assets	Pages 62, 305, 312
	Securities portfolio	Page 317
	Loan portfolio	Pages 132 to 154, 231 to 252, 318 to 322
	Summary of loan and lending-related commitments loss experience	Pages 155 to 157, 252 to 255, 323 to 324
	Deposits	Pages 272, 325
	Short-term and other borrowed funds	Page 307
Item 1A	Risk factors	Pages 7 to 17
Item 1B	Unresolved SEC Staff comments	Page 17
Item 2	Properties	Pages 17 to 18
Item 3	Legal proceedings	Page 18
Item 4	Mine safety disclosures	Page 18
Part II		
Item 5	Market for Registrant's common equity, related stockholder matters and issuer purchases of equity securities	Pages 18 to 20
Item 6	Selected financial data	Page 20
Item 7	Management's discussion and analysis of financial condition and results of operations	Page 20
Item 7A	Quantitative and qualitative disclosures about market risk	Page 20
Item 8	Financial statements and supplementary data	Page 20
Item 9	Changes in and disagreements with accountants on accounting and financial disclosure	Page 20
Item 9A	Controls and procedures	Page 20
Item 9B	Other information	Page 20

Part III

Item 10	Directors, executive officers and corporate governance	Page 22
Item 11	Executive compensation	Page 22
Item 12	Security ownership of certain beneficial owners and management and related stockholder matters	Page 23
Item 13	Certain relationships and related transactions, and director independence	Page 23
Item 14	Principal accounting fees and services	Page 23

Part IV

Item 15	Exhibits, financial statement schedules	Pages 23 to 26
Financial		
Five-Year Summary of Consolidated Financial Highlights		Page 62
Five-Year Stock Performance		Page 63
Management's discussion and analysis		
Introduction		Pages 64 to 65
Executive Overview		Pages 66 to 70
Consolidated Results of Operations		Pages 71 to 75
Explanation and Reconciliation of the Firm's Use of Non-GAAP Financial Measures		Pages 76 to 78
Business Segment Results		Pages 79 to 108
International Operations		Page 109
Balance Sheet Analysis		Pages 110 to 112
Off–Balance Sheet Arrangements and Contractual Cash Obligations		Pages 113 to 118
Capital Management		Pages 119 to 124
Risk Management		Pages 125 to 126
Liquidity Risk Management		Pages 127 to 132
Credit Risk Management		Pages 132 to 157
Market Risk Management		Pages 158 to 163
Country Risk Management		Pages 163 to 165
Private Equity Risk Management		Page 166
Operational Risk Management		Pages 166 to 167
Reputation and Fiduciary Risk Management		Page 167
Critical Accounting Estimates Used by the Firm		Pages 168 to 172
Accounting and Reporting Developments		Page 173
Nonexchange-Traded Commodity Derivative Contracts at Fair Value		Page 174
Forward-Looking Statements		Page 175
Audited financial statements		
Management's Report on Internal Control Over Financial Reporting		Page 176
Report of Independent Registered Public Accounting Firm		Page 177
Consolidated Financial Statements:		
Consolidated Statements of Income		Page 178
Consolidated Balance Sheets		Page 179
Consolidated Statements of Changes in Stockholders' Equity and Comprehensive Income		Page 180
Consolidated Statements of Cash Flows		Page 181
Notes to Consolidated Financial Statements		Pages 182 to 304
Supplementary information		
Selected Quarterly Financial Data		Pages 305 to 306
Short-term and other borrowed funds		Page 307
Glossary of Terms		Pages 308 to 311
Signatures		Page 326
Exhibits		Pages 327 to 513

From the JPMorgan Chase & Co. 2010 Form 10-K

Part I		
Item 1	Business	Page 1
	Overview	Page 1
	Business segments	Page 1
	Competition	Page 1
	Supervision and regulation	Pages 1 to 5
	Distribution of assets, liabilities and stockholders' equity; Interest rates and interest differentials	Pages 304 to 308
	Return on equity and assets	Pages 52, 295, 297, 304
	Securities portfolio	Pages 214 to 218, 309
	Loan portfolio	Pages 118 to 138, 220 to 238, 310 to 314
	Summary of loan and lending-related commitments loss experience	Pages 139 to 141, 239 to 243, 315 to 316
	Deposits	Pages 263 to 264, 317
	Short-term and other borrowed funds	Pages 264, 299
Item 1A	Risk factors	Pages 5 to 12
Item 1B	Unresolved SEC Staff comments	Page 12
Item 2	Properties	Page 12
Item 3	Legal proceedings	Pages 12 to 13
Part II		
Item 5	Market for Registrant's common equity, related stockholder matters and issuer purchases of equity securities	Pages 13 to 14
Item 6	Selected financial data	Page 14
Item 7	Management's discussion and analysis of financial condition and results of operations	Page 14
Item 7A	Quantitative and qualitative disclosures about market risk	Page 14
Item 8	Financial statements and supplementary data	Page 14
Item 9	Changes in and disagreements with accountants on accounting and financial disclosure	Page 14
Item 9A	Controls and procedures	Page 14
Item 9B	Other information	Page 14
Part III		
Item 10	Directors, executive officers and corporate governance	Page 15
Item 11	Executive compensation	Page 15
Item 12	Security ownership of certain beneficial owners and management and related stockholder matters	Page 16
Item 13	Certain relationships and related transactions, and director independence	Page 16
Item 14	Principal accounting fees and services	Page 16
Part IV		
Item 15	Exhibits, financial statement schedules	Pages 16 to 19
Financial		
Five-Year Summary of Consolidated Financial Highlights		Page 52
Five-Year Stock Performance		Page 53
Management's discussion and analysis		
Introduction		Page 54
Executive Overview		Pages 55 to 58

Consolidated Results of Operations	Pages 59 to 63
Explanation and Reconciliation of the Firm's Use of Non-GAAP Financial Measures	Pages 64 to 66
Business Segment Results	Pages 67 to 90
International Operations	Page 91
Balance Sheet Analysis	Pages 92 to 94
Off–Balance Sheet Arrangements and Contractual Cash Obligations	Pages 95 to 101
Capital Management	Pages 102 to 106
Risk Management	Pages 107 to 109
Liquidity Risk Management	Pages 110 to 115
Credit Risk Management	Pages 116 to 141
Market Risk Management	Pages 142 to 146
Private Equity Risk Management	Page 147
Operational Risk Management	Pages 147 to 148
Reputation and Fiduciary Risk Management	Page 148
Critical Accounting Estimates Used by the Firm	Pages 149 to 154
Accounting and Reporting Developments	Page 155
Nonexchange-Traded Commodity Derivative Contracts at Fair Value	Page 156
Forward-Looking Statements	Page 157
Audited financial statements	
Management's Report on Internal Control Over Financial Reporting	Page 158
Report of Independent Registered Public Accounting Firm	Page 159
Consolidated Financial Statements:	
Consolidated Statements of Income	Page 160
Consolidated Balance Sheets	Page 161
Consolidated Statements of Changes in Stockholders' Equity and Comprehensive Income	Page 162
Consolidated Statements of Cash Flows	Page 163
Notes to Consolidated Financial Statements	Pages 164 to 294
Supplementary information	
Selected Quarterly Financial Data	Pages 295 to 296
Selected Annual Financial Data	Pages 297 to 298
Short-term and other borrowed funds	Page 299
Glossary of Terms	Pages 300 to 303
Signatures	Pages 318 to 319
Exhibits	Pages 320 to 334

From the JPMorgan Chase & Co. 2012 Proxy Statement

Proposal 1:	Election of directors	Page 1
	Information about the nominees	Page 1
	Corporate governance	Page 7
	General	Page 7
	Committees of the Board	Page 8
	Director independence	Page 10
	Other governance practices	Page 11
	Director compensation	Page 12
	Security ownership of directors and executive officers	Page 13
	Compensation Discussion and Analysis	Page 15
	Executive summary	Page 15
	2011 Business performance overview	Page 16
	Compensation decisions for Named Executive Officers	Page 17
	2011 Compensation	Page 20
	Advisory resolution to approve executive compensation	Page 20
	Compensation framework	Page 21
	Compensation & Management Development Committee report	Page 25
	Executive compensation tables	Page 26
	I. Summary compensation table	Page 26
	II. 2011 Grants of plan-based awards	Page 27
	III. Outstanding equity awards at fiscal year-end 2011	Page 28
	IV. 2011 Option exercises and stock vested table	Page 30

	V. 2011 Pension benefits	Page 30
	VI. 2011 Non-qualified deferred compensation	Page 31
	VII. 2011 Potential payments upon termination or change-in-control	Page 32
	Additional information about our directors and executive officers	Page 33
	Audit Committee report	Page 35
Proposal 2:	Appointment of independent registered public accounting firm	Page 36
Proposal 3:	Advisory resolution to approve executive compensation	Page 37
Proposal 4-10:	Shareholder proposals	Page 35
General information about the meeting		Page 48
Shareholder proposals and nominations for the 2013 annual meeting		Page 50
Appendix A:	Board of Directors – roles and responsibilities	Page 52
Appendix B:	Director independence standards	Page 53
Appendix C:	JPMorgan Chase Compensation principles and practices	Page 54
Appendix D:	Elements of current NEO compensation	Page 56
Appendix E:	Overview of 2011 performance	Page 57

From the JPMorgan Chase & Co. March 2012 Form 10-Q

Part I	**Financial Information**	
Item 1	Consolidated Financial Statements – JPMorgan Chase & Co.:	
	Consolidated Statements of Income (unaudited) for the three months ended 31 March, 2012 and 2011	Page 85
	Consolidated statements of comprehensive income (unaudited) for the three months ended 31 March, 2012 and 2011	Page 86
	Consolidated balance sheets (unaudited) at 31 March, 2012, and 31 December, 2011	Page 87
	Consolidated Statements of Changes in Stockholders' Equity (unaudited) for the three months ended 31 March, 2012 and 2011	Page 88
	Consolidated statements of cash flows (unaudited) for the three months ended 31 March, 2012 and 2011	Page 89
	Notes to Consolidated Financial Statements (unaudited)	Page 90
	Report of Independent Registered Public Accounting Firm	Page 166
	Consolidated Average Balance Sheets, Interest and Rates (unaudited) for the three months ended 31 March, 2012 and 2011	Page 167
	Glossary of Terms and Line of Business Metrics	Page 168
Item 2	Management's Discussion and Analysis of Financial Condition and Results of Operations:	
	Consolidated Financial Highlights	Page 3
	Introduction	Page 4
	Executive Overview	Page 6
	Consolidated Results of Operations	Page 10
	Explanation and Reconciliation of the Firm's Use of Non-GAAP Financial Measures	Page 12
	Business Segment Results	Page 14
	International Operations	Page 35
	Balance Sheet Analysis	Page 36
	Off-Balance Sheet Arrangements	Page 38
	Capital Management	Page 42
	Risk Management	Page 46
	Supervision and Regulation	Page 79
	Critical Accounting Estimates Used by the Firm	Page 80
	Accounting and Reporting Developments	Page 83
	Forward-Looking Statements	Page 84
Item 3	Quantitative and Qualitative Disclosures About Market Risk	Page 175
Item 4	Controls and Procedures	Page 175
Part II	**Other Information**	
Item 1	Legal Proceedings	Page 175

Item 1A	Risk Factors	Page 175
Item 2	Unregistered Sales of Equity Securities and Use of Proceeds	Page 175
Item 3	Defaults Upon Senior Securities	Page 176
Item 4	Mine Safety Disclosure	Page 176
Item 5	Other Information	Page 176
Item 6	Exhibits	Page 176

From the JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements

Report of Independent Registered Public Accounting Firm	Page 1
Consolidated Financial Statements:	
Consolidated Statements of Income	Page 2
Consolidated Balance Sheets	Page 3
Consolidated Statements of Changes in Stockholder's Equity and Comprehensive Income	Page 4
Consolidated Statements of Cash Flows	Page 5
Notes to Consolidated Financial Statements	Pages 6 to 123
Supplementary Information:	
Selected Quarterly Financial Data (unaudited)	Page 124
Selected Annual Financial Data (unaudited)	Page 125
Glossary of Terms	Pages 126 to 128

From the JPMorgan Chase Bank, N.A. 2010 Audited Financial Statements

Report of Independent Registered Public Accounting Firm	Page 1
Consolidated Financial Statements:	
Consolidated Statements of Income	Page 2
Consolidated Balance Sheets	Page 3
Consolidated Statements of Changes in Stockholder's Equity and Comprehensive Income	Page 4
Consolidated Statements of Cash Flows	Page 5
Notes to Consolidated Financial Statements	Pages 6 to 124
Supplementary Information:	
Selected Quarterly Financial Data (unaudited)	Page 125
Selected Annual Financial Data (unaudited)	Page 126
Glossary of Terms	Pages 127 to 128

From the JPMSP 2011 Audited Financial Statements

Directors' Report	Pages 1 to 5
Financial Statements:	
Balance sheet	Page 6
Income statement	Page 7
Statement of comprehensive income	Page 7
Statement of changes in equity	Page 8
Statement of cash flows	Page 9
Notes to the financial statements	Pages 10 to 24
Other Information:	
Profit appropriation according to the Articles of Association	Page 25
Proposed appropriation of net results	Page 25
Auditor's report	Page 26

From the JPMSP 2010 Audited Financial Statements

Directors' report	Pages 1 to 5
Financial statements:	
Balance sheet	Page 6
Income statement	Page 7
Statement of changes in equity	Page 8
Statement of cash flow	Page 9
Notes to the financial statements	Pages 10 to 25
Other Information:	
Profit appropriation according to the Articles of Association	Page 26
Proposed appropriation of net results	Page 26

Auditor's report	Page 27

From the JPMBD 2011 Audited Financial Statements

General Information	Page 1
Report of the Directors	Pages 2 to 6
Independent Auditors' Report	Pages 7 to 8
Profit and Loss Account	Page 9
Balance Sheet	Page 10
Cash Flow Statements	Page 11
Statement of Accounting Policies	Pages 12 to 15
Notes to the Financial Statements	Pages 16 to 31

From the JPMBD 2010 Audited Financial Statements

General Information	Page 1
Report of the Directors	Pages 2 to 6
Independent Auditors' Report	Pages 7 to 8
Profit and Loss Account	Page 9
Balance Sheet	Page 10
Cash Flow Statements	Page 11
Statement of Accounting Policies	Pages 12 to 15
Notes to the Financial Statements	Pages 16 to 31

From the 2011 Base Prospectus

General Conditions	Pages 89 to 189
Annex 1 – Share Linked Provisions	Pages 190 to 206
Annex 2 – Index Linked Provisions	Pages 207 to 221
Annex 3 – Commodity Linked Provisions	Pages 222 to 235
Annex 4 – FX Linked Provisions	Pages 236 to 241
Annex 5 – Market Access Participation Provisions	Pages 242 to 251
Annex 6 – Low Exercise Price Warrant Provisions	Pages 252 to 259
Form of Final Terms for Securities other than German Securities	Pages 265 to 312
Form of JPMorgan Chase & Co. Guarantee	Pages 335 to 338
Form of JPMorgan Chase Bank, N.A. Guarantee	Pages 339 to 342

From the 2011 Base Prospectus Supplement

Amendments to the General Conditions	Page 9
Amendments to the Form of Final Terms for Securities other than German Securities	Pages 9 to 12
Amendments to the Form of Final Terms for German Securities	Page 13
Annex 1 General Conditions	Pages 15 to 102
Annex 2 Form of Final Terms for German Securities	Pages 103 to 123

From the 2010 Base Prospectus

General Conditions	Pages 85 to 179
Annex 1 – Share Linked Provisions	Pages 180 to 193
Annex 2 – Index Linked Provisions	Pages 194 to 207
Annex 3 – Commodity Linked Provisions	Pages 208 to 221
Annex 4 – FX Linked Provisions	Pages 222 to 227
Annex 5 – Market Access Participation Provisions	Pages 228 to 237
Annex 6 – Low Exercise Price Warrant Provisions	Pages 238 to 245
Form of Final Terms for Securities other than German Securities	Pages 252 to 298
Form of JPMorgan Chase & Co. Guarantee	Pages 321 to 323
Form of JPMorgan Chase Bank, N.A. Guarantee	Pages 324 to 326

From the 2010 Base Prospectus Supplement

Amendments to the General Conditions	Pages 6 to 11
Amendments to the Form of Final Terms for Securities other than German Securities	Pages 11 to 12

From the 2009 Base Prospectus

General Conditions	Pages 77 to 157
Annex 1 – Share Linked Provisions	Pages 158 to 172
Annex 2 – Index Linked Provisions	Pages 173 to 186
Annex 3 – Commodity Linked Provisions	Pages 187 to 199
Annex 4 – FX Linked Provisions	Pages 200 to 205
Annex 5 – Market Access Participation Provisions	Pages 206 to 215
Form of Final Terms for Securities other than German Securities	Pages 216 to 256
Form of JPMorgan Chase & Co. Guarantee	Pages 276 to 278
Form of JPMorgan Chase Bank, N.A. Guarantee	Pages 279 to 281

From the 2009 Base Prospectus Supplement

Changes to the General Conditions		Pages 5 to 7
Changes to the Share Linked Provisions		Page 8
Changes to the Index Linked Provisions		Page 9
Replacement of the Commodity Linked Provisions		Page 10
Changes to the FX Linked Provisions		Page 11
Inclusion of the Low Exercise Price Warrant Provisions		Page 12
Replacement of "Form of Final Terms for Securities other than German Securities"		Page 14
Appendix I:	Commodity Linked Provisions	Pages 22 to 35
Appendix II:	Low Exercise Price Warrant Provisions	Pages 36 to 42
Appendix III:	Form of Final Terms for Securities other than German Securities	Pages 43 to 86

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: +1 202 942 8090, fax: +1 202 628 9001 or e-mail: publicinfo@sec.gov. Investors may call the SEC at +1 800 732 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 quarterly Consolidated Reports of Condition and Income ("**Call Reports**") with its primary federal regulator, the U.S. Office of the Comptroller of the Currency. 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 as the information contained in such reports is either provided elsewhere in this Base Prospectus or is not relevant to investors in the Securities.

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 depository 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 95 to 191 (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.

Form of Securities

Unless otherwise specified in the relevant Final Terms, each Series of Securities in bearer form (other than French Bearer Securities) 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**"). Each Temporary Bearer Global Security and each Permanent Bearer Global Security representing Securities other than German Securities will be exchangeable, in limited circumstances, for Securities in definitive registered form. No Bearer Securities will be issued in or exchangeable into bearer definitive form, whether pursuant to the request of any Holder(s) or otherwise.

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**"). Each Temporary Registered Global Security and Permanent Registered Global Security will be exchangeable, in limited circumstances, for Securities in registered definitive form.

JPMI shall not issue any Securities in bearer form.

Global Securities may be deposited on the issue date with a depositary 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 depositary for such other clearing system as specified in the General Conditions and/or the relevant Final Terms.

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

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 or exchangeable into 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 Depositary ("**Euroclear Finland**") in accordance with all applicable Finnish laws, regulations and rules ("**Finnish Securities**"). Finnish Securities will not be issued in or exchangeable into definitive form.

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 depositary ("**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 Depositary (the "**VPS**") in accordance with all applicable Norwegian laws, regulations and rules ("**Norwegian Securities**"). Norwegian Securities will not be issued in or exchangeable into 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 or exchangeable into definitive form.

Swiss Securities

Securities cleared through SIS are referred to as "**Swiss Securities**". Each Tranche of Swiss Securities will be either (i) issued in the form of uncertificated securities and entered into the main register (*Hauptregister*) of SIS as custodian (*Verwahrungsstelle*) or (ii) initially represented by a single Global Security in registered form that is deposited with SIS as central depositary, in each case on or prior to the original issue date of such Tranche. As a matter of Swiss law, once (i) the uncertificated Securities representing Swiss Securities are entered into the main register of SIS as custodian (*Verwahrungsstelle*) or (ii) a Global Security in registered form representing Swiss Securities is deposited with SIS and, in each case, entered into the securities 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 have the right to effect or demand the conversion of such Swiss Securities into, or the

delivery of, uncertificated Securities (in the case of Swiss Securities represented by a Global Security) or Securities in definitive form (in the case of either Swiss Securities represented by a Global Security or Swiss Securities issued in uncertificated form). However, 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, acting through its 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 S.C.A., Frankfurt Branch will act as German Programme Agent 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, 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. Pursuant to article 7(7) of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005, by approving this Base Prospectus, the CSSF gives no undertaking as to, and assumes no responsibility for, the economic and financial characteristics of the Securities to be issued hereunder or the quality and solvency of any Issuer.

This Base Prospectus has not been approved by the CSSF with respect to issuances by JPMI, and will not be used in connection with the issue by JPMI of Securities which are the subject of either (or both) of (i) an offer of securities to the public in the European Economic Area which is not an exempt offer pursuant to Article 3(2) of the Prospectus Directive (and the relevant implementing measures in the European Economic Area) and/or (ii) an application to admit such securities to trading on a Regulated Market in the European Economic Area. Any such offer to the public in the European Economic Area and/or application for admission to trading to a Regulated Market in the European Economic Area is subject to the prior publication of an approved prospectus under Article 3(1) of the Prospectus Directive.

The Netherlands (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.

Ireland (Central Bank of Ireland)

Pursuant to Article 13(5) of the Prospectus Directive (and the relevant implementing measures in Ireland and Luxembourg), the Central Bank of Ireland, which is the competent authority for the purpose of the Prospectus Directive and relevant implementing measures in Ireland, 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 JPMBD under the Programme during the period of 12 months from the date of this Base Prospectus.

Approval of the Base Prospectus and listing and admission to trading

Applications have also been made for Securities issued by JPMSP, JPMBD, 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. will not be admitted to trading on a Regulated Market unless they have a minimum denomination of at least EUR 100,000 (or its equivalent in other currencies). No Warrants or Certificates issued by JPMorgan Chase Bank, N.A. and no Securities issued by 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.

Switzerland (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, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. has been drawn up in accordance with the Prospectus Directive:

- *Finanzmarktaufsicht* (FMA) (**Austria**);
- Financial Services and Markets Authority (FSMA) (**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**);
- Central Bank of Ireland (**Ireland**);
- *Commissione Nazionale per le Società e la Borsa* (CONSOB) (**Italy**);

- *FMA Finanzmarktaufsicht Liechtenstein* (**Principality of Liechtenstein**)
- *Autoriteit Financiële Markten* (AFM) (**The Netherlands**);
- The Financial Supervisory Authority of Norway (**Norway**);
- Polish Financial Supervision Authority (PFSA) (**Poland**)
- *Comissão do Mercado de Valores Mobiliários* (CMVM) (**Portugal**)
- 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.

Contents of Commonly Asked Questions

1. What documents do you need to read in respect of an issuance of Securities?
2. Who are the Issuers and the Guarantors under this Programme?
3. What type of Securities can be issued under this Programme?
4. What are the Reference Assets to which Securities may be linked?
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)?
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?
7. How much of your investment is at risk?
8. Who is the "Holder" of the Securities?
9. What rights do Holders have against an Issuer?
10. What do you have to do to exercise your rights in respect of your Securities?
11. How can you enforce your rights against an Issuer if the Issuer has failed to make a payment of principal on the Securities?
12. How are payments made to you?
13. What if the Securities are not held through a clearing system?
14. How are Reference Assets delivered to you?
15. When are payments made to investors?
16. Who calculates the amounts payable to you?
17. What further determinations may the Calculation Agent have to make?
18. Are the Calculation Agent's determinations binding on you?
19. Will you be able to sell your Securities?
20. What will be the price of the Securities in such circumstances?
21. Are there any fees, expenses or taxes to pay when purchasing, holding or selling Securities?
22. Under what circumstances may the Securities be redeemed before their stated maturity?
23. Are there any other circumstances in which your Securities may become repayable prior to maturity?
24. Can the Issuer amend the conditions of Securities once they have been issued without your consent?
25. What are Share Linked Securities?
26. What are the Share Linked Provisions?
27. What are Index Linked Securities?
28. What are the Index Linked Provisions?
29. What are Commodity Linked Securities?
30. What are the Commodity Linked Provisions?
31. What are FX Linked Securities?
32. What are the FX Linked Provisions?
33. What are Credit Linked Notes?

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. For German Securities, all documents will also be available from the German Programme Agent or the Principal 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 Vertigo Building, Polaris, 2-4 rue Eugène Ruppert, L-2453, Luxembourg, and, in relation to Swiss Securities, from Credit Suisse AG, the Swiss Programme Agent, at its office at Paradeplatz 8, 8001, Zurich, Switzerland, and, in relation to German Securities, from BNP Paribas Securities Services S.C.A., Frankfurt Branch, the German Programme Agent, at its office at Europa-Allee 12, 60327 Frankfurt am Main, Germany. 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 to whom the Securities may be transferred or resold 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 specific 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 Central Bank of Ireland 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 Central Bank of Ireland, 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 and licensed to conduct international business 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.

(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 worldwide.

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, 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. Warrants which may be sold concurrently outside the United States to certain non-U.S. Persons and to certain qualified institutional investors in the United States are described as Regulation S/Rule 144A Warrants. 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 Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. and Fitch, Inc., none of which is a credit rating agency established in the European Union and registered under the CRA Regulation. 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) or held 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 22 to 62 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 which 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 which 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 Holder 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 which are either represented by a Global Security in registered form deposited with SIS or issued in uncertificated form and entered into the main register (*Hauptregister*) of SIS as custodian (*Verwahrungsstelle*) and have been entered into the securities accounts of one or more participants of 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 expression "Holder" 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 Securities other than German Securities or, in the case of German Securities, the investor evidencing its holding of the Security to the satisfaction of the relevant Issuer (acting in good faith and in a commercially reasonable manner). To receive payment under the terms of the Security you will need to contact the registrar (in the case of Securities other than German Securities) or the Relevant Programme Agent (for German 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 the Holder is an eligible investor for the purposes of U.S. securities laws or, in the case of Regulation S/Rule 144A Warrants, certification of either non-U.S. beneficial ownership or that the Holder is an eligible investor for the purposes of U.S. securities law, as the case may be. 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 Swiss Securities or for any German Securities unless it is specified to be

applicable in the Consolidated Conditions. 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, LLC 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 – 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 (if specified to be applicable in the relevant Final Terms) more expensive for the Hedging Entity to perform its obligations in relation to 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, the Commodity Linked Provisions and the FX Linked Provisions) - a change in applicable law since the Issue Date that (subject to the terms of the relevant Specific Product Provisions) makes it illegal to hold, acquire or dispose of the relevant underlying asset(s) (or component(s) thereof) or (if specified to be applicable in the relevant Final Terms) more expensive for the Hedging Entity to perform its obligations in relation to the relevant Securities;

(g) FX Disruption Event - an event that makes conversion of specified and settlement currencies impossible;

(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; and

(i) certain events and determinations set forth in the Market Access Participation Provisions and Low Exercise Price Warrant Provisions.

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, LLC which are each affiliates of the Issuer. See the section entitled "Conflicts of Interest" on page 63 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. Securities are also subject to selling and transfer restrictions that may limit your ability to resell or transfer them.

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 may the Securities be redeemed 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. There are also other circumstances in which the Securities may redeem early. These reasons may include:

(a) 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;

(b) the exercise by the Issuer of a call option, if specified to be applicable in the relevant Final Terms;

(c) the exercise by the Holder of a put option, if specified to be applicable in the relevant Final Terms;

(d) the occurrence of certain events or other circumstances in relation to a Reference Asset at the discretion of the Calculation Agent (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);

(e) the Issuer determines that its performance under any Security has become unlawful in whole or in part for any reason (see General Condition 16 (*Early Redemption or Termination for Illegality*));

(f) in certain circumstances where 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 the Foreign Account Tax Compliance Act, that there is

a substantial likelihood that it will otherwise violate any agreement it may reach with the U.S. taxing authority with respect to the Foreign Account Tax Compliance Act or that a series of Securities will, or there is a substantial likelihood that a series of Securities will, be treated, for U.S. federal income tax purposes, as in bearer form (see General Condition 17.3 (*Early Redemption or Termination for Taxation - FATCA*));

(g) the occurrence of certain taxation events with respect to the Securities or (if specified as applicable in the relevant Final Terms) with respect to underlying hedging transactions (see General Condition 17.4 (*Early Redemption or Termination for Taxation – Additional Amounts/Underlying Hedge Transactions*);

(h) following an Event of Default (see General Condition 15 (*Events of Default*)).

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, 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, 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. See General Condition 22.1(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 22.1(e)(ii) proposed by the Issuer. Majority resolutions shall be binding on all Holders. See General Condition 22.1(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 may the Securities be redeemed 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 may the Securities be redeemed 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 may the Securities be redeemed 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 may the Securities be redeemed 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

Contents of General Conditions

A. INTRODUCTION
B. FORM, DENOMINATION, TITLE, TRANSFER AND GUARANTEE OF THE SECURITIES
1. Form, Denomination and Title
2. Transfers
3. Guarantee and Status of the Securities
C. PROVISIONS APPLICABLE TO NOTES ONLY
4. Interest and other Calculations under the Notes
5. Redemption of Notes
6. Payments
7. Replacement of Notes
D. PROVISIONS APPLICABLE TO CERTIFICATES ONLY
8. Certificate Coupon
9. Redemption Rights in respect of Certificates
10. Exercise Rights in respect of Certificates
E. PROVISIONS APPLICABLE TO WARRANTS ONLY
11. Exercise of Warrants
F. PROVISIONS APPLICABLE TO NOTES, WARRANTS AND CERTIFICATES
12. Business Day
13. Payment Disruption
14. Physical Delivery
15. Events of Default
16. Early Redemption or Termination for Illegality
17. Taxation and Early Redemption or Termination for Taxation
18. Agents
19. Calculation Agent, Determination, Disclaimer of Liability and other terms
20. European Monetary Union
21. Rounding
22. Meeting of Holders and Modifications
23. Purchase and Cancellation
24. Further Issues
25. Notices
26. Substitution
27. Prescription
28. Governing Law and Jurisdiction
29. Contracts (Rights of Third Parties) Act 1999
30. Definitions and Interpretation

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. In the case of Registered Securities in definitive form, 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 the registered certificates relating to any such Registered Securities (if 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.

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. ("**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**") 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 11 May 2012 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 guaranteed the due and punctual settlement of all obligations of JPMSP in respect of the Securities issued by JPMSP in a guarantee dated 11 May 2012 (as amended and/or supplemented and/or restated as at the Issue Date, the "**JPMorgan Chase Bank, N.A. Guarantee**").

JPMorgan Chase & Co. has 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 11 May 2012 (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 JPMSP, 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 11 May 2012 (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.

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 30 (*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 Securities (other than French Bearer Securities) are initially represented by a temporary global security (the "**Temporary Bearer Global Security**").

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.

Bearer Securities will only be issued in global form and will not be issued in or exchangeable into Bearer Securities in definitive form, whether pursuant to the request of any Holder(s) or otherwise. Bearer Securities will not have any coupons, talons or receipts.

(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 depositary) 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 883 of 9 August 2011, 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-osuus järjestelmästä* (826/1991)) and the Finnish Act on Book Entry Accounts (*laki arvo-osuustileistä* (827/1991)), 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. Finnish Securities shall not be issued in or exchangeable into Securities in definitive form.

(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. Swedish Securities shall not be issued in or exchangeable into Securities in definitive form.

(vii) *Swiss Securities*: Securities which are cleared through SIS and are either (a) issued in the form of uncertificated Securities and entered into the main register (*Hauptregister*) of SIS or (b) 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 Securities which are issued in the form of uncertificated securities are entered into the main register (*Hauptregister*) of SIS or (b) a Swiss Global Security is deposited with SIS and, in either case, entered into the securities 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**").

(viii) *Rule 144A Securities*: Securities which may be sold to certain qualified institutional buyers in the United States in reliance on Rule 144A under the Securities Act 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 depositary 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.

(ix) *Regulation S/Rule 144A Warrants*: Warrants which may be sold concurrently outside the United States to certain non-U.S. Persons and to certain qualified institutional buyers in the United States in reliance on Rule 144A under the Securities Act, are "**Regulation S/Rule 144A Warrants**". Regulation S/Rule 144A Warrants will be issued by JPMSP, represented by a Regulation S/Rule 144A Global Warrant (the "**Regulation S/Rule 144A Global Warrant**"), and deposited on or about the Issue Date with a depositary common to Euroclear and Clearstream, Luxembourg. Regulation S/Rule 144A Warrants will only be issued in registered form, without interest coupons attached.

(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 depositary 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 on or after its Exchange Date and upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement:

(1) in whole or in part for interests in a Permanent Bearer Global Security ("**Permanent Bearer Global Security**"); or

(2) in whole but not in part for Registered Securities in definitive form, if, prior to its exchange for interests in a Permanent Bearer Global Security in accordance with (1) above, (x) the Temporary 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 Temporary Global Security is not paid when due by the Holder giving notice to the Principal Programme Agent and the Registrar of its election for such exchange, provided that, in the case of (x) above, the Issuer may instead procure that the Temporary Bearer Global Security is deposited with a successor or alternative clearing system where it is of the reasonable opinion that such transfer will not be prejudicial to the Holders.

(B) Permanent Bearer Global Securities

Each Permanent Bearer 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, the Principal Programme Agent and the Registrar of its intention to effect such exchange; or

(2) otherwise (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 Permanent Bearer Global Security is not paid when due by the Holder giving notice to the Principal Programme Agent and the Registrar of its election for such exchange.

(iii) *Exchange of German Securities:*

Each Temporary Bearer Global Security will be exchangeable, on or after its Exchange Date, in whole or in part upon certification as to non-U.S. beneficial ownership for interests in a Permanent Bearer Global Security ("**Permanent Bearer Global Security**").

Each Temporary Bearer Global Security and Permanent Bearer Global Security will be kept in custody by the Relevant Clearing System until all obligations of the Issuer under the German Securities have been satisfied.

In relation to any German Securities in respect of which the relevant Final Terms specify "Clearstream Frankfurt" to be the Relevant Clearing System, the principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of German Securities represented by the Temporary Bearer Global Security or Permanent Bearer Global Security (as the context may require) is evidenced by a register maintained for that purpose by Clearstream Frankfurt as agent for the Issuer, showing the aggregate principal amount (in the case of Notes) or aggregate number (in the case of Warrants and Certificates) of German Securities represented by the Temporary Bearer Global Security or the Permanent Bearer Global Security (as the context may require).

(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 or for Registered Securities in definitive form, as the case may be.

(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 (x) 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 (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 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, Swiss Securities issued in uncertificated form or represented by a Swiss Global Security will in either case be exchangeable for Registered Securities in definitive form only 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 such Swiss Securities into, or the delivery of, uncertificated Securities (in the case of Swiss Securities represented by a Swiss Global Security) or Securities in definitive form (in the case of either Swiss Securities represented by a Swiss Global Security or Swiss Securities issued in uncertificated form).

Swiss Securities will only be exchangeable for Registered 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 Registered 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) in the case of Swiss Securities represented by a Swiss Global Security, 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 or (ii) in the case of Swiss Securities issued as uncertificated securities, deregister such Swiss Securities from the uncertificated securities book (*Wertrechtebuch*) and, in each case, deliver the Registered Securities in definitive form to the relevant Holders. 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 (the "**Swiss Register**") in accordance with U.S. Treasury Regulation 5F.103-1(c)(1). In the case of Swiss Securities represented by a Swiss Global Security, prior to and as a condition to depositing such 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 (*Bucheffekten*gesetz) 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) *Registered Securities in definitive form*: Subject as otherwise provided in this General Condition 1.1(c), Registered Securities in definitive form may be exchanged or transferred in whole or in part for one or more Registered Securities in definitive form in respect of the same number of Securities. Registered Securities in definitive form will be substantially in the form set out in the Agency Agreement.

1.2 **Title**

(a) ***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.

(b) ***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 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.

(c) ***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.

(d) ***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.

(e) ***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.

(f) ***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.

(g) ***Title to French Securities***

Title to French Securities will be evidenced in accordance with Articles L. 211-3 and R. 211-1 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.

(h) ***Title to German Securities; Book-Entry Registrar***

In respect of German Securities, "**Holder**" means any holder of a proportionate co-ownership interest or right in the Global Security.

German Securities shall be transferable in accordance with applicable law and the terms and regulations of the Relevant Clearing System.

In relation to any German Securities in respect of which the relevant Final Terms specify "Clearstream Frankfurt" to be the Relevant Clearing System, the Issuer has entered into a book-entry registration agreement with Clearstream Frankfurt and appointed Clearstream Frankfurt as its book-entry registrar (the "**Book-Entry Registrar**"). The Book-Entry Registrar has agreed to maintain (i) a register (the "**Book-Entry Register**") showing the interests of Clearstream Frankfurt accountholders in the Temporary Bearer Global Security or the Permanent Bearer Global Security, as the case may be and (ii) as agent of the Issuer, the additional register in accordance with General Condition 1.1(c)(iii) (*Exchange of German Securities*) and the sub-paragraph below.

With respect to any redemption of, or payment of an instalment on, or purchase and cancellation of, any of the German Securities represented by a Temporary Bearer Global Security or a Permanent Bearer Global Security the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of such Temporary Bearer Global Security or such Permanent Bearer Global Security shall be entered accordingly in the Book-Entry Register by the Book-Entry Registrar and, upon any such entry being made, the principal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of German Securities represented by such Temporary Bearer Global Security or such Permanent Bearer Global Security shall be reduced by the aggregate principal amount (in the case of Notes) or aggregate number (in the case of Warrants and Certificates) of German Securities so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid, and appropriate entries shall be made in the Book-Entry Register.

(i) ***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 expression "Holder" 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.

(j) ***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 admitted to trading 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.

(k) ***Title to Regulation S/Rule 144A Warrants***

For so long as the Warrants are represented by a Regulation S/Rule 144A Global Warrant held through Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of a Relevant Clearing System as the holder of a particular number of Warrants (in which regard any certificate or other document issued by such Relevant Clearing System as to the number of Warrants standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Relevant Programme Agent as the holder of such number of Warrants for all purposes (and the expressions "Holder" and "holder of Warrants" and related expressions shall be construed accordingly).

(l) ***Ownership***

Except as ordered by a court of competent jurisdiction, or as required by law, the Holder of any Securities 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 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 Securities, Swedish Securities and Finnish Securities***

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

(i) in respect of Danish Notes, Norwegian Securities and Swedish Securities during a closed period pursuant to the VP Rules, the VPS Rules or Swedish CSD Rules (as applicable); or

(ii) in respect of Finnish Securities, during a period not permitted by the then applicable Euroclear Finland Rules or when the relevant Finnish Securities are held in a blocked book-entry securities account pursuant to General Condition 5.2 (*Redemption at the Option of Holders*) or General Condition 9.2 (*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 the transfer of the registered certificate representing such Registered Securities in definitive form, 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 and Regulation S/Rule 144A Warrants*: Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, delivered, pledged, assigned or otherwise transferred or exercised or redeemed at any time within the United States or to, or for the account or benefit of, any U.S. Person. If the Issuer determines at any time that any Security (other than a Rule 144A Security or a Regulation S/Rule 144A Warrant being offered or sold in accordance with Rule 144A) is legally or beneficially owned by any U.S. Person, the Issuer may direct the Holder to sell or transfer such 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 such Security or (y) give notice to the Holder that such 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 sub-clause (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.

(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 a person who (A) 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 Qualified Offshore Client or MUSIV and (B) (i) in the case of Rule 144A Securities which are Notes held in definitive form or Certificates or Warrants (in definitive or global form), has entered into and remains in compliance with the relevant Investor Letter of Representations and (ii) in the case of Rule 144A Notes represented by a Global Security, has remained in compliance with the representations such beneficial holders are deemed to have made (for the purpose of this General Condition 2.3(a)(ii) (*Rule 144A Securities*) only, a "**Permitted Transferee**"), the Issuer may direct the Holder to sell or transfer such 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 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 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 such Security or (y) give notice to the Holder that such 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 sub-clause (x) of the preceding paragraph, 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.

(iii) *Regulation S/Rule 144A Warrants*: If the Issuer determines at any time that any transfer of a Regulation S/Rule 144A Warrant has been effected other than (A) to a person who (i) is not a U.S. Person in accordance with Regulation S in "offshore transactions" (as such term is defined in Rule 902(h) of Regulation S); (ii) has entered into and remains in compliance with the provisions of the relevant Investor Letter of Representations; and (iii) is a "qualified investor", as defined in the Prospectus Directive, or any other purchaser that is approved by the Dealer from time to time: or (B) to a person who is (i) a QIB, (ii) a QP, (iii) an ECP and (iv) either (a) a MUSIV or (b) a Qualified Offshore Client and (v) who has entered into and has remained in compliance with the relevant Investor Letter of Representations at the time of such transfer, (each person satisfying either sub-clause (A) or sub-clause (B), for the purpose of this General Condition 2.3(a)(iii) (*Regulation S/Rule 144A Warrants*) only, a "**Permitted Transferee**"), the Issuer may direct the Holder to sell or transfer its Regulation S/Rule 144A Warrant 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 such Regulation S/Rule 144A Warrant within such period, the Issuer may at its discretion (x) cause such Warrant 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 such Regulation S/Rule 144A Warrant or (y) give notice to the Holder that such Regulation S/Rule 144A Warrant 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 sub-clause (x) of the preceding paragraph, 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 Regulation S/Rule 144A Warrant sold as a result of any sale or the exercise of such discretion.

(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 guaranteed the due and punctual settlement in full of all obligations of JPMSP under the Securities 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 guaranteed the due and punctual settlement in full of all obligations of each of JPMBD and JPMI under the Securities 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 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 21 (*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 21 (*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 15 (*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 25 (*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 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.

(b) ***Partial Redemption of French Notes***

In the case of a partial redemption or a partial exercise of the Issuer's option in respect of French Notes, the redemption may be effected, at the option of the Issuer, either (i) by

reducing the nominal amount of all the French Notes of such Series in a proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such French Notes and, in such latter case, the choice between those French Notes that will be fully redeemed and those French Notes of such Series that will not be redeemed shall be made in accordance with article R. 213-16 of the French *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and Regulated Market or other stock exchange requirements.

So long as the French Notes are admitted to trading on a Regulated Market and the rules of such Regulated Market so require, the Issuer shall, each time there has been a partial redemption of the French Notes, cause to be published a notice specifying the aggregate nominal amount of the French Notes outstanding, either on the website of the competent authority or of such Regulated Market, if so permitted by the applicable rules, or in a leading financial newspaper of general circulation in the city where the Regulated Market on which such French Notes are listed is located, which in the case of Euronext Paris is expected to be *Les Echos*.

(c) ***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 Securities, Swedish Securities and Finnish Securities*).

(d) ***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 Securities, Swedish Securities and Finnish Securities*).

(e) ***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 Securities, Swedish Securities and Finnish Securities*) and the Swedish Record Date for the purposes of General Condition 6 (*Payments*).

(f) ***Partial Redemption of Swiss Notes***

In the case of a partial redemption or a partial exercise of the Issuer's option, the redemption of Swiss Notes will be effected by (i) reducing the nominal amount of all the Swiss Notes of such Series in a proportion to the aggregate nominal amount redeemed or (ii) a selection of the Swiss Notes to be redeemed in accordance with the rules of SIS.

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 by completion of a Put Option Exercise Notice as specified below (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 25.9 (*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, or, in the case of Swiss Notes, to the Swiss Programme Agent, 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 the registered 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 registered certificate representing such Note 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 Securities, Swedish Securities and Finnish Securities*)).

(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 Securities, Swedish Securities and Finnish Securities*)). 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 Securities, Swedish Securities and Finnish Securities*)). 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 certificate, a new registered certificate representing such Notes 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 certificates shall be issued in respect of those Notes of that holding that have the same terms. New registered certificates shall only be issued against surrender of the existing registered 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 certificate representing the enlarged holding shall only be issued against surrender of the registered 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 17.4 (*Early Redemption or Termination for Taxation – Additional Amounts/Underlying Hedge Transactions*) or upon it becoming due and payable as provided in General Condition 15 (*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 23 (*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, 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 23 (*Purchase and Cancellation*), each Note (other than a Note to which General Condition 14.1 (*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.

6. **Payments**

6.1 **Payments in respect of Bearer Notes**

Payments of principal and interest in respect of Notes represented by a Global Bearer Note shall 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, subject to the provisions in General Condition 13 (*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.

Payments in respect of French Notes in bearer dematerialised form shall be made in accordance with General Condition 6.2(g) (*Payments in respect of French Notes*).

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 clearing system 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 13 (*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. In this General Condition 6.2(a), "**clearing system business day**" means, in relation to Euroclear and Clearstream, Luxembourg, each day which is not a Saturday or a Sunday, 25 December or 1 January, and, in relation to any other Relevant Clearing System, each day on which such Relevant Clearing System is open for business.

(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 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 of General Condition 13 (*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.

(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**"). 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**").

(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.

(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. 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 (other than Swiss Notes in definitive form) shall be made to the Holders on the due date for such payment.

(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 17 (*Taxation and Early Redemption or Termination for Taxation*). No commission or expenses shall be charged to the Holders in respect of such payments.

7. **Replacement of Notes**

If a registered certificate representing a Note 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 registered certificate representing such Note is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note) and otherwise as the Issuer may require. Mutilated or defaced registered certificates representing a Note must be surrendered before replacements will be issued. Upon the issuance of any replacement registered certificates representing such Notes, 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.

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 21 (*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 21 (*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 21 (*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 15 (*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 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 25 (*Notices*) (or such other notice period as may be specified in the relevant Final Terms) redeem, all or, if so provided, some, of the Certificates on any Optional Redemption Date, provided that, if "Notional Amount" is specified to be "Not Applicable" in the relevant Final Terms, the Issuer shall redeem all, and not some only, of such Certificates. Any such redemption of Certificates shall be at their Optional Redemption Amount. All Certificates 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 9.1.

(a) ***Partial Redemption of Certificates 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 Certificates 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 notional amount of each Certificate at the discretion of Euroclear and Clearstream, Luxembourg or Clearstream Frankfurt, as the case may be.

(b) ***Partial Redemption of French Certificates***

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

(c) ***Partial Redemption of Finnish Certificates***

Any partial redemption of Finnish Certificates shall be in accordance with Euroclear Finland Rules, and the notice to Holders shall also contain the quantity of Finnish Certificates 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 Securities, Swedish Securities and Finnish Securities*).

(d) ***Partial Redemption of Norwegian Certificates***

Any partial redemption of Norwegian Certificates shall be in accordance with the VPS Rules, and the Norwegian Certificates 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 Certificates or the amount of Norwegian Certificates 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 Certificates, 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 Securities, Swedish Securities and Finnish Securities*).

(e) ***Partial Redemption of Swedish Certificates***

The notice to Holders in respect of a partial redemption of Swedish Certificates shall specify the Certificates or amounts of the Certificates 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 Securities, Swedish Securities and Finnish Securities*) and the Swedish Record Date for the purposes of General Condition 9.6(a)(ii) (*Finnish Certificates, Norwegian Certificates and Swedish Certificates*).

(f) ***Partial Redemption of Swiss Certificates***

In the case of a partial redemption or a partial exercise of the Issuer's option, the redemption of Swiss Certificates will be effected by (i) reducing the notional amount of all the Swiss Certificates of such Series in a proportion to the aggregate notional amount redeemed or (ii) a selection of the Swiss Certificates to be redeemed in accordance with the rules of SIS.

9.2 **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 Certificate, upon the Holder of such Certificate giving not less than 15 nor more than 30 calendar days' notice to the Issuer by completion of a Put Option Exercise Notice as specified below (or such other notice period as may be specified in the relevant Final Terms) redeem such Certificate on the Optional Redemption Date(s) at its Optional Redemption Amount. In respect of Certificates which are German Securities, any such notice shall be given in accordance with General Condition 25.9 (*Notices by Holders of German Securities*).

(a) ***Global Certificates***

In respect of Global Certificates, to exercise such option or any other Holders' option that may be set out in the relevant Final Terms in respect of Certificates other than German Securities, the Holder must give notice to any Paying Agent or the Registrar, respectively, or, in the case

of Swiss Certificates, to the Swiss Programme Agent, 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 Certificates in respect of which the option has been exercised, and stating the notional amount of Certificates 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) ***Certificates 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 the registered certificate representing such Certificate(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 registered certificate representing such 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 Certificates***

In respect of Finnish Certificates, the Holder must deposit a Put Option Exercise Notice with the Finnish Programme Agent and transfer the relevant Finnish Certificates 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 Securities, Swedish Securities and Finnish Securities*)).

(d) ***Norwegian Certificates***

In respect of Norwegian Certificates, 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 Certificates will not take effect against the Issuer before the date on which the relevant Norwegian Certificates 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 Securities, Swedish Securities and Finnish Securities*)). No Norwegian Certificate 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 Certificates***

A Put Option Exercise Notice in respect of Swedish Certificates will not take effect against the Issuer before the date on which the relevant Swedish Certificates 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 Securities, Swedish Securities and Finnish Securities*)). No Swedish Certificate so transferred or blocked and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

9.3 **Exercise of Options or Partial Redemption in respect of Registered Certificates 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 Certificates in definitive form represented by a single registered certificate, a new registered 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 Certificates in definitive form of the same holding having different terms, separate registered certificates shall be issued in respect of those Certificates of that holding that have the same terms. New registered certificates shall only be issued against surrender of the existing registered certificates to the Registrar or any Transfer

Agent. In the case of a transfer of Registered Certificates in definitive form to a person who is already a Holder of Registered Certificates in definitive form, a new registered certificate representing the enlarged holding shall only be issued against surrender of the registered certificate representing the existing holding.

9.4 **Exercise of Options or Partial Redemption in respect of Norwegian Certificates**

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

9.5 **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 25 (*Notices*). Payments shall be made by a cheque, 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, at the specified office of the Relevant Programme Agent.

9.6 **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 or in respect of Swiss Securities in uncertificated form (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; 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 13 (*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 13 (*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 14 (*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 or the Eligible Investor 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 clearing system 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**"). In this General Condition 9.6(d)(i), "**clearing system business day**" means, in relation to Euroclear and Clearstream, Luxembourg, each day which is not a Saturday or a Sunday, 25 December or 1 January, and, in relation to any other Relevant Clearing System, each day on which such Relevant Clearing System is open for business;

(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);

(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 notional 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 13 (*Payment Disruption*); and

(iv) a Swiss Certificate (other than Swiss Certificates in definitive form) shall be made to the Holder on the due date for such payment.

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 reasonable commercial 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. or any Italian multilateral trading facility, as the case may be, 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 automatic 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 in accordance with the rules of the Italian Stock Exchange 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 on the Redemption Date 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 16 (*Early Redemption or Termination for Illegality*) and 17.3 (*Early Redemption or Termination for Taxation – FATCA*).

If Automatic Exercise is applicable to the Warrants, then (unless the Warrants have been previously terminated in accordance with General Condition 16 (*Early Redemption or*

Termination for Illegality) or 17.3 (*Early Redemption or Termination for Taxation – FATCA*) 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 25 (*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 or Regulation S/Rule 144A Warrants, 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.

11.3 **Exercise Procedure**

(a) ***Exercise Notice***

Warrants may be exercised in the following manner:

(i) in respect of Warrants (other than Warrants which are German Securities) represented by a Global Warrant which is held on behalf of Euroclear and/or Clearstream, Luxembourg only, by the sending of an authenticated instruction by SWIFT message or by any other authorised communication channel, in accordance with Euroclear and/or Clearstream, Luxembourg's rules and operating procedures, to Euroclear and/or Clearstream, Luxembourg, which shall include all the information set out in the form provided by the Principal Programme Agent and which will constitute an Exercise Notice in respect of such Warrants and, following receipt, Euroclear and/or Clearstream, Luxembourg will send copies of any Exercise Notices so received to the Principal Programme Agent; or

(ii) in respect of any Warrants other than Warrants represented by a Global Warrant which is held on behalf of Euroclear and/or Clearstream, Luxembourg (including Warrants which are German Securities), by delivery of a duly completed Exercise Notice (substantially in the form provided by the Relevant Programme Agent) 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),

in each case 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 or are Swiss Securities in uncertificated form (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; 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 contains all the relevant information and is validly delivered 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 reasonable commercial 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 clearing system 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**"). In this General Condition 11.3(k)(i), "**clearing system business day**" means, in relation to Euroclear and Clearstream, Luxembourg, each day which is not a Saturday or a Sunday, 25 December or 1 January, and, in relation to any other Relevant Clearing System, each day on which such Relevant Clearing System is open for business;

(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);

(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; and

(iv) a Swiss Warrant (other than Swiss Warrants in definitive form) shall be made to the Holder on the due date for such payment.

F. PROVISIONS APPLICABLE TO NOTES, WARRANTS AND CERTIFICATES

12. Business Day

12.1 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.

12.2 Payments on Payment Days

If the date for payment of any amount in respect of any Security 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 each Additional Financial Centre (if any) 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 is open.

13. Payment Disruption

13.1 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 reasonable commercial 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 25 (*Notices*).

13.2 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 13.2(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 25 (*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 25 (*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 13.2(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 25 (*Notices*)) after the date on which the Payment Disruption Event is no longer operating. Notwithstanding the foregoing, the Issuer may, in its reasonable commercial 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 reasonable commercial 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 reasonable commercial 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 25 (*Notices*). Notwithstanding the foregoing, and in respect of Market Access Participation Notes only, the Issuer may, acting in good faith and in a commercially reasonable manner, elect to satisfy its obligation to pay the amounts as may be due and payable (in the Settlement Currency or a relevant currency) under such Market Access Participation Notes (including any Partial Distributions) by making a payment of an equivalent amount in another currency (with such other currency and the relevant rate of exchange to be as determined by the Calculation Agent).

(c) ***Payments net of expenses***

Notwithstanding any provisions to the contrary, (a) any payments or deliveries made in accordance with this General Condition 13.2 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 13.2.

(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, in respect of (i) any Securities other than Market Access Participation Notes, the Holder will not receive any amounts or Reference Assets and (ii) in respect of Market Access Participation Notes, the Calculation Agent will determine, acting in good faith and in a commercially reasonable manner, the amount due and payable on the Payment Event Cut-off Date to the Holder by reference to such sources as the Calculation Agent may select, including the occurrence of a Payment Disruption Event. Thereafter, the Issuer shall have no obligations whatsoever under the Securities.

14. Physical Delivery

14.1 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, 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 Swiss Securities or German Securities unless it is specified to be applicable in the Consolidated Conditions.

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 or Swiss 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 25 (*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.

14.2 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, 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, 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 reasonable commercial 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).

14.3 **Delivery of Reference Asset Amount**

Subject as provided in this General Condition 14, 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 14, a "**Delivery Date**").

Subject as provided in this General Condition 14, 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.

14.4 **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 Swiss Securities or German Securities (unless a Reference Asset Transfer Notice is specified to be applicable in the Consolidated Conditions), to the Relevant Clearing System for the credit of the account of the relevant accountholder in the Relevant Clearing System.

14.5 **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).

14.6 **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 14.6 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 14.6, 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 reasonable commercial 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 25 (*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 25 (*Notices*) or (ii) in respect of Securities which are represented by a Global Security or Swiss Securities issued in uncertificated form 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 Securities, 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 Securities 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.

15. **Events of Default**

15.1 **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 JPMorgan 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.

15.2 **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 Securities, Swedish Securities and Finnish Securities*)) 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.

16. **Early Redemption or Termination for Illegality**

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. **Taxation and Early Redemption or Termination for Taxation**

17.1 **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 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 or under an agreement with the relevant taxing authority. 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 in (i) the proviso immediately below and (ii) General Condition 17.2 (*Circumstances in which Additional Amounts will not be paid*), pay to a Holder of Securities 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 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 (other than with respect to a Holder that is a resident of such Relevant Jurisdiction), will not be less than the amount provided for in such Securities to be then due and payable, PROVIDED THAT where "Exclude Section 871(m) Taxes from Gross Up" is specified to be applicable in the relevant Final Terms, no Additional Amounts with respect to taxes imposed pursuant to Section 871(m) of the Code will be payable.

17.2 **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 or withholding required under an agreement with a taxing authority 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, or (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;

(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;

(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, 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, (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, or (iv) such Holder being within a foreign country in which the United States Secretary of the Treasury determines that the exchange of information between the United States and such foreign country is inadequate under Section 871(h)(6) of the Code to permit the interest paid to such person to constitute portfolio interest under either Section 871(h) or Section 881(c) of the Code;

(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 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;

(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) is presented for payment;

(k) the presentation (where presentation is required) of a Security 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 tax required to be withheld or deducted from a payment pursuant to laws enacted by Switzerland providing for the taxation of payments according to principles similar to those laid down in the European Council Directive 2003/48/EC or in the draft legislation proposed by the Swiss Federal Council on 22 December 2010, in particular the principle to have a person other than the Issuer or Guarantor withhold or deduct tax, including, without limitation, any paying agent;

(n) any Security 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 to another Paying Agent in a European Union Member State;

(o) 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;

(p) any withholding or deduction imposed, including pursuant to the terms of a voluntary agreement entered into with a taxing authority, under Section 1471-1474 of the Code, as of 11 May 2012 (or any amended or successor version to the Code) and any current or future regulations or official interpretations thereof, on payments to a Holder, beneficial owner, or any agent having custody or control over a payment made by the Issuer, Guarantor or any agent in the chain of payment;

(q) any withholding or deduction imposed under Section 871(m) of the Code, if, in the reasonable judgment of the Issuer, withholding would not have been imposed but for the Holder or beneficial owner (or a related party thereof) (a) engaging in a transaction

other than the mere purchase of the Security (whether or not in connection with the acquisition, holding or disposing of the Security) that establishes the withholding obligation, (b) failing to take reasonable measures to secure a refund of the withholding taxes to which it is entitled or (c) failing to establish an exemption or reduced rate of withholding, including, under the benefits of an applicable treaty; or

(r) 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 to a Holder that is not the beneficial owner of such Security 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.

17.3 **Early Redemption or Termination for Taxation – FATCA**

The relevant Issuer may, at its option, redeem or terminate (as applicable) 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:

(a) 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 Act, provided that (1) such inability to comply with the reporting requirements is attributable to non-compliance by any Holder of such Securities (or a withholding agent (if any) in the chain of custody of payments made to the Holders) with the Issuer's requests for certifications, beneficial ownership information 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;

(b) there is a substantial likelihood that it will otherwise violate any agreement entered into with a U.S. taxing authority with respect to the Foreign Account Tax Compliance Act; or

(c) in the reasonable determination of the relevant Issuer, there is a substantial likelihood that the Securities will be treated, for U.S. federal income tax purposes, as being in bearer form,

each such event, a "**Tax Termination Event**".

Upon the occurrence of a Tax Termination Event described in paragraphs (a) or (b), Securities held by compliant Holders, in addition to those held by non-compliant Holders, may be redeemed or terminated. Upon a Tax Termination Event described in paragraph (c), all of the Securities of such Series will 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.

For the purposes of this General Condition 17.3, the term "Foreign Account Tax Compliance Act" shall also include any jurisdiction that enters into an agreement with the United States regarding, in respect of, or in substitution for the Foreign Account Tax Compliance Act.

17.4 **Early Redemption or Termination for Taxation – Additional Amounts/Underlying Hedge Transactions**

The Securities may be redeemed or terminated (as applicable) 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, where:

(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 17.1 (*Obligation to Pay Additional Amounts*); or

(b) in respect of Securities issued by JPMSP or JPMBD, if "Early Redemption for Tax on Underlying Hedge Transactions" is specified as applicable in the relevant Final Terms, an Underlying Hedge Entity has or will (or there is a substantial likelihood that it will) incur a materially increased tax cost in performing its obligations in relation to the Underlying Hedge Transactions (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position with respect to an Underlying Hedge Tax Jurisdiction),

in each case as a result of (x)(I) any action taken by a Relevant Jurisdiction, Underlying Hedge Tax 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 (II) the proposal, adoption, finalisation or expiration of any laws, regulations, or administrative guidance of a Relevant Jurisdiction, Underlying Hedge Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in, or amendment to (or proposed change or amendment to) proposed or final laws, regulations, or administrative guidance, or any change in the application or official interpretation of proposed or final laws, regulations or administrative guidance (including by inaction, such as the failure to finalise proposed regulations or administrative guidance), which proposal, adoption, finalisation, expiration, change or amendment becomes effective on or after the Issue Date or with respect to payments made on or after the Issue Date; and (y) such obligation or tax cost cannot be avoided by the Issuer, Guarantor or Underlying Hedge Entity (as applicable) taking reasonable measures available to it,

PROVIDED THAT the Securities may be redeemed by giving less than 30 days or more than 60 days calendar days' notice to the Holders (which notice shall be irrevocable) if compliance with the 30 calendar day minimum and 60 calendar day maximum notice period would (or there is a substantial likelihood that compliance would) cause the Issuer or Guarantor (as applicable) to become obligated to pay Additional Amounts or cause an Underlying Hedge Entity to incur a materially increased tax cost in performing its obligations in relation to the Securities.

Before the publication of any notice of redemption pursuant to this General Condition 17.4, 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 Additional Amounts or that an Underlying Hedge Entity has or will (or there is a substantial likelihood that it will) incur a materially increased tax cost in performing its obligations in relation to the Underlying Hedge Transactions, in each case as a result of such action, proposal, adoption, finalisation, expiration, change, or amendment.

For the purposes of this General Condition 17.4, the term "Relevant Jurisdiction" shall also include any jurisdiction that enters into an agreement with the United States regarding, in respect of, or in substitution for the Foreign Account Tax Compliance Act.

18. Agents

18.1 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.

18.2 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; and

(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.

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 25 (*Notices*).

19. Calculation Agent, Determination, Disclaimer of Liability and other terms

19.1 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. In making any determination or exercising any discretion, the Calculation Agent is not obliged to consider the interests of any Holder.

19.2 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.

19.3 **Disclaimer of liability**

No liability shall attach to the Calculation Agent, any of the Holders, 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.

19.4 **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.

19.5 **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 in the absence of manifest error.

19.6 **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.

19.7 **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 15.1(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 22.1(c)(i) (*Majority Consent*) in respect of Securities other than German Securities, and General Condition 22.1(e) (*Modification of German Securities with Holder consent*) in respect of German Securities.

20. **European Monetary Union**

20.1 **Redenomination of Notes**

Where redenomination is specified to be applicable in the relevant Final Terms, the Issuer may, without the consent of the Holders 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 25 (*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 shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines 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 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*) 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, the payment obligations of all Notes will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes are available for exchange (provided that such securities are so available) and no payments will be made in respect of them, although those Notes will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes will be issued in exchange for Notes 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 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 20.1 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.

20.2 **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 25 *(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 reasonable commercial 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 reasonable commercial 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.

21. **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 the seventh decimal place (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.

22. Meeting of Holders and Modifications

22.1 Modifications and Waivers

(a) ***Modification without Holder consent (Securities other than French Securities and German Securities)***

The Issuer may from time to time 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 in accordance with, respectively, this General Condition 22.1(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 in respect of the Securities.

Any such modification or amendment shall take effect in accordance with its terms and be binding on the Holders and shall be notified to the Holders in accordance with General Condition 25 (*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, 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 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 in accordance with General Condition 25 (*Notices*).

(ii) In addition, the Issuer may, without the consent of the Holders, 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 having regard to its interests shall be permitted, i.e. those which do not materially prejudice the interests of the Holders or which, when read together with the other information included in the Base Prospectus dated 11 May 2012 (as supplemented from time to time) 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 in accordance with General Condition 25 (*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, such Holder 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 of its potential termination right at the Early Payment Amount. The termination by the Holder 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, (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 25 (*Notices*) if the conditions for avoidance pursuant to Section 119 et seq. BGB are fulfilled in relation to the Holders. 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. 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, to the account specified in the termination notice. The provisions of General Condition 12.2 (*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 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 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 22.1(b) shall be without prejudice to any avoidance rights which a Holder 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 22.1(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 22.3 (*Meetings of Holders of French Notes (Masse)*) and of French Securities other than French Notes in accordance with General Condition 22.4 (*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.

22.2 **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 22.1(c)(ii)(A) to 22.1(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.

22.3 **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 except when the French Notes are issued inside France as provided in the relevant Final Terms) 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 ten per cent. or more of the share capital of the Issuer or companies having ten 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 22.3(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 25.4 (*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, except in accordance with Article L. 228-106 of the French *Code de commerce*.

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 25.4 (*Notices to Holders of French Securities*).

(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 24 (*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.

22.4 **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 25 (*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.

23. Purchase and Cancellation

23.1 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. 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, except if the French Securities are purchased in accordance with and fulfil the requirements of Article L. 213-1-A of the French *Code monétaire et financier*. In the latter case, the French Securities may be held for a maximum period of one year after their purchase and shall be cancelled at the expiry of such period.

23.2 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 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.

24. Further Issues

The relevant Issuer may from time to time without the consent of the Holders 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.

25. Notices

25.1 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.

25.2 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.

25.3 Notices to Holders of Swiss Securities that are not listed on the SIX Swiss Exchange

Notices to Holders of interests in Swiss Securities 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.

25.4 **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 *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.

25.5 **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 25.2 (*Notices to Holders of interests in Global Securities*).

25.6 **Notices in respect of Securities listed on the Luxembourg Stock Exchange**

So long as the Securities are admitted to the Official List and admitted to trading 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).

25.7 **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.

25.8 **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.

25.9 **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 9.2 (*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 (i) 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 (ii) by transfer of the Securities to the account of the Relevant Programme Agent with the Relevant Clearing System.

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.

25.10 **Notices from the Calculation Agent**

Notices from the Calculation Agent shall be given in accordance with General Conditions 25.1 (*Notices to the Holders of Registered Securities in definitive form*) to 25.8 (*Notices in respect of Securities listed on any other stock exchange*) above, as applicable.

26. **Substitution**

26.1 **Right of Substitution**

The Issuer may (provided it has complied with the requirements set out in General Conditions 26.2(a) to (c) (inclusive) (for Securities other than German Securities and French Securities) or General Conditions 26.3(a) to (e) (inclusive) (for German Securities and French Securities)) at any time, without the consent of the Holders, 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 JPMSP, (i) either JPMSP or JPMorgan Chase Bank, N.A. has or will (or based on an opinion of counsel to JPMSP (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 17.1 (*Obligation to Pay Additional Amounts*) or (ii) an Underlying Hedge Entity has or will (or based on an opinion of counsel there is a substantial likelihood that it will) incur a materially increased tax cost in performing its obligations in relation to the Underlying Hedge Transactions (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position with respect to an Underlying Hedge Tax Jurisdiction), in each case as a result of (x)(I) any action taken by a Relevant Jurisdiction, Underlying Hedge Tax 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 (II) the proposal, adoption, finalisation or expiration of any laws, regulations, or administrative guidance of a Relevant Jurisdiction, Underlying Hedge Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in, or amendment to (or proposed change or amendment to) proposed or final laws, regulations, or administrative guidance, or any change in the application or official interpretation of proposed or final laws, regulations or administrative guidance (including by inaction, such as the failure to finalise proposed regulations or

administrative guidance), which proposal, adoption, finalisation, expiration, change or amendment becomes effective on or after the Issue Date or with respect to payments made on or after the Issue Date; and (y) such obligation or tax cost cannot be avoided by JPMSP, JPMorgan Chase Bank, N.A. or Underlying Hedge Entity (as applicable) taking reasonable measures available to it; and

(b) in respect of Securities issued by JPMBD, (i) 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 17.1 (*Obligation to Pay Additional Amounts*) or (ii) an Underlying Hedge Entity has or will (or based on an opinion of counsel there is a substantial likelihood that it will) incur a materially increased tax cost in performing its obligations in relation to the Underlying Hedge Transactions (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position with respect to an Underlying Hedge Tax Jurisdiction), in each case as a result of (x)(I) any action taken by a Relevant Jurisdiction, Underlying Hedge Tax 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 (II) the proposal, adoption, finalisation or expiration of any laws, regulations, or administrative guidance of a Relevant Jurisdiction, Underlying Hedge Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in, or amendment to (or proposed change or amendment to) proposed or final laws, regulations, or administrative guidance, or any change in the application or official interpretation of proposed or final laws, regulations or administrative guidance (including by inaction, such as the failure to finalise proposed regulations or administrative guidance), which proposal, adoption, finalisation, expiration, change or amendment becomes effective on or after the Issue Date or with respect to payments made on or after the Issue Date; and (y) such obligation or tax cost cannot be avoided by JPMBD, JPMorgan Chase & Co. or Underlying Hedge Entity (as applicable) taking reasonable measures available to it.

For the purposes of this General Condition 26.1, the term "Relevant Jurisdiction" shall also include any jurisdiction that enters into an agreement with the United States regarding, in respect of, or in substitution for the Foreign Account Tax Compliance Act.

26.2 **Means of Substitution (Securities other than German Securities and French Securities)**

The right of substitution granted to Securities other than German Securities and French Securities is subject to fulfilment of the following:

(a) the Substitute having, by means of a deed poll (the "**Deed Poll**"), substantially in the form scheduled to the Agency Agreement:

(i) become a party to the Agency Agreement with any appropriate consequential amendments, as if it had been an original party to it;

(ii) indemnified each Holder 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 or the Deed of Covenant arising from or in connection with the substitution and (y) any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution;

(iii) completed all actions, 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 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, and a supplement to the base prospectus describing the Programme having been prepared if required to describe the Substitute;

(b) (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 guarantee the obligations of the Substitute under the Deed Poll, the Securities 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 guarantee the obligations of the Substitute under the Deed Poll, the Securities and the Deed of Covenant by means of the Deed Poll; and

(c) 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 25 (*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.

26.3 **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 26.3 will be published in accordance with General Condition 25 (*Notices*).

26.4 **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.

27. **Prescription**

27.1 **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 (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)) from the appropriate Relevant Date in respect of the relevant Notes;

(b) five years (in the case of interest) from the appropriate Relevant Date in respect of the relevant Notes; or

(c) five years from the Settlement Date in respect of Warrants and Certificates.

27.2 **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.

28. **Governing Law and Jurisdiction**

28.1 **Governing Law**

(a) ***Securities other than French Securities, German Securities, Rule 144A Warrants and Rule 144A Certificates***

Save as provided in General Condition 28.1(b) (*Danish Notes, Finnish Securities, Norwegian Securities and Swedish Securities*) below (if applicable), the Securities (including Rule 144A Notes, Swiss Securities and Regulation S/Rule 144A Warrants) 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 the Agency Agreement or their respective formation) are governed by 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 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).

28.2 **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) (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 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 (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.

28.3 **Service of Process**

(a) ***Securities other than German Securities, Rule 144A Warrants and Rule 144A Certificates***

Each of JPMSP, JPMBD, JPMI, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. appoints the Company Secretary of J.P. Morgan Securities Ltd. of 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 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 25 (*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 25.5 (*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, New York 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.

29. **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.

30. **Definitions and Interpretation**

30.1 **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 17 (*Taxation and Early Redemption or Termination for Taxation*).

"**Adjustment Date**" means a date specified by the Issuer in the notice given to the Holders pursuant to General Condition 20.2 (*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.

"**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 the case of Securities in definitive form), 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 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 "TARGET" or "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 12 (*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.

"**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 Securities, Swedish Securities and Finnish Securities*)).

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Commodity Exchange Act**" means the U.S. Commodity Exchange Act, as amended.

"**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.

"**Coupon Amount**" means the amount specified as such in the relevant Final Terms.

"**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.

"**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:

$$\text{Day Count Fraction} = \frac{\left[360 \times \left(Y_2 - Y_1\right)\right] + \left[30 \times \left(M_2 - M_1\right) + \left(D_2 - D_1\right)\right]}{360}$$

Where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" 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

"$\mathbf{D_2}$" 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:

$$\text{Day Count Fraction} = \frac{\left[360 \times \left(Y_2 - Y_1\right)\right] + \left[30 \times \left(M_2 - M_1\right) + \left(D_2 - D_1\right)\right]}{360}$$

Where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" 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

"**D_2**" 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:

$$\text{Day Count Fraction} = \frac{\left[360 \times \left(Y_2 - Y_1\right)\right] + \left[30 \times \left(M_2 - M_1\right) + \left(D_2 - D_1\right)\right]}{360}$$

Where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" 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

"**D_2**" 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 26.2 (*Means of Substitution (Securities other than German Securities and French 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 14.3 (*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 Commodity Exchange Act.

"**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:

(i) 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; and

(ii) Regulation S/Rule 144A Warrants, either (a) each of the certifications required in (i) above or (b) a Non-U.S. Certification, as applicable.

"**Eligible Investors**" are transferees of Securities satisfying (or who upon transfer of Securities shall satisfy) each of the terms set forth in General Condition 2.3(a)(ii) (*Rule 144A Securities*) or 2.3(a)(iii) (*Regulation S/Rule 144A Warrants*) in connection with any transfer and holding of such Securities.

"**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 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 15.1 (*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.

"**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 25 (*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 25.9 (*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 Operation 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(d) (*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*) and means Finnish Notes, Finnish Warrants and/or Finnish Certificates as the context may require.

"**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 Act**" means sections 1471 – 1474 of the U.S. Internal Revenue Code, including any related regulations, rules or published administrative guidance or interpretations.

"**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 22.3 (*Meetings of Holders of French Notes (Masse)*).

"**German Programme Agent**" means BNP Paribas Securities Services S.C.A., 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*).

"**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 either issued in uncertificated form or represented by a Global Security that is deposited with SIS and entered into the securities accounts of one or more participants of SIS, 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 14.6 (*Settlement Disruption Event*).

"**Investment Company Act**" means the U.S. Investment Company Act of 1940, as amended.

"**Investor Letter of Representations**" means a letter in the form provided by the relevant dealer entered into with the relevant Issuer and (if applicable) the relevant Guarantor, the relevant arranger and the relevant dealer in relation to the purchase of Rule 144A Securities which are Warrants or Certificates, Rule 144A Notes if such Notes have been exchanged for Securities in definitive form or are being held as Securities in definitive form or Regulation S/Rule 144A Warrants, in each case for the benefit of the dealer, the relevant arranger (if any), the Issuer and (if applicable) the Guarantor (together with their respective affiliates and control persons).

"**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 22.1(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 22.3 (*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**" means 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*) and means Norwegian Notes, Norwegian Warrants and/or Norwegian Certificates as the context may require.

"**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 20.2(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 13.2(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 12.2 (*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

(v) 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 25 (*Notices*); or

(vi) 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 (a) in respect of any Securities other than Market Access Participation Notes, 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) and (b) in respect of any Market Access Participation Notes, the date which is three years after the Maturity Date, Redemption Date, Settlement Date or any other date which is the last date on which amounts under the Market Access Participation Notes shall be due and payable by the Issuer (as the case may be), or, in each case, 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.

"**Permitted Transferee**", (i) for the purpose of General Condition 2.3(a)(ii) (*Rule 144A Securities*), has the meaning given in that General Condition, or (ii) for the purpose of General Condition 2.3(a)(iii) (*Regulation S/Rule 144A Warrants*), has the meaning given in that General Condition.

"**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, acting through its 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, as amended by Directive 2010/73/EU, 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 under the Investment Company Act.

"**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.

"**Record Date**" has the meaning given in General Condition 6.2(i) (*Record Date*) or General Condition 9.6(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 20.1 (*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 or Regulation S/Rule 144A Warrants, 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 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(a) (*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 any Securities in registered definitive form following exchange from a Global Security in accordance with the Conditions (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, as may be amended from time to time.

"**Regulation S/Rule 144A Warrants**" has the meaning given in General Condition 1.1(b)(ix) (*Regulation S/Rule 144A Warrants*).

"**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 or uncertificated form are cleared, including Euroclear France, Euroclear Sweden, VP, VPS, Euroclear Finland and SIS, 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 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 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 (or any political subdivision or taxing authority thereof or therein) in which the Issuer or relevant Guarantor (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.

"**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 100,000 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 22.3(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*). For the avoidance of doubt, Regulation S/Rule 144A Warrants shall not be considered to be 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 12.2 (*Payments on Payment Days*) and General Condition 14 (*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 14.6 (*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 12.1 (*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 9.6(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(f) (*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*) and means Swedish Notes, Swedish Warrants and/or Swedish Certificates as the context may require.

"**Swedish Warrants**" means any Warrants which are specified to be Swedish Securities in the relevant Final Terms.

"**Swiss Certificates**" means any Certificates which are specified to be Swiss 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*) and means Swiss Notes, Swiss Warrants and/or Swiss Certificates as the context may require.

"**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 17.3 (*Early Redemption or Termination for Taxation – FATCA*).

"**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 16 (*Early Redemption or Termination for Illegality*).

"**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.

"**Underlying Hedge Entity**" means the Issuer or any affiliate(s) of the Issuer or any entity (or entities) acting on behalf of the Issuer.

"**Underlying Hedge Tax Jurisdiction**" means (i) the country (or any political subdivision or taxing authority thereof or therein) in which the Underlying Hedge Entity 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, (ii) the United States and (iii) any other jurisdiction that enters into an agreement with the United States regarding, in respect of, or in substitution for the Foreign Account Tax Compliance Act.

"**Underlying Hedge Transactions**" means, in relation to the Securities, 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 such Securities.

"**United States**" means the United States of America (including the States thereof and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"**U.S. Person**" means (i) in respect of any Regulation S/Rule 144A Warrants, any person which is a "U.S. person" as defined in Rule 902(k) of Regulation S (as may be amended from time to time) or (ii) in respect of any Securities other than Regulation S/Rule 144A Warrants, any person which is a "U.S. person" as defined in Rule 902(k) of Regulation S (as may be amended from time to time) or any person which is a "United States person" as defined in section 7701(a)(30) of the Code and Treasury regulations thereunder (as may be amended from time to time), as the context requires.

"**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(e) (*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.

30.2 **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

1. Consequences of Disrupted Days

1.1 Single Share and Reference Dates

1.2 Single Share and Averaging Reference Dates

1.3 Share Basket and Reference Dates

1.4 Share Basket and Averaging Reference Dates

2. Fallback Valuation Date

3. Correction of prices

4. Consequences of Potential Adjustment Events

5. Consequences of Extraordinary Events

6. Consequences of Additional Disruption Events

7. Depository Receipt Provisions

7.1 Partial Lookthrough Depository Receipt Provisions

7.2 Full Lookthrough Depository Receipt Provisions

8. Adjustments to Securities linked to Shares in European Currencies

9. Definitions

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 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 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 reasonable commercial 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 30.1 (*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 reasonable commercial 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 30.1 (*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. Depository Receipt Provisions

7.1 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, 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 reasonable commercial 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 30.1 (*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."

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 7.1 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.

7.2 **Full Lookthrough Depository Receipt Provisions**

Where the relevant Final Terms specify that the "Full 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 these Share Linked Provisions shall be deemed to be amended and modified as set out in this Share Linked Provision 7.2:

(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) of the definition of "Potential Adjustment Event" 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, 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 reasonable commercial 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 30.1 (*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) 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."

(g) The definition of "Insolvency Filing" shall be amended in accordance with the DR Amendment.

(h) For the purpose of determining whether a Market Disruption Event has occurred in respect of the Share, the following amendments shall be deemed to be made to the Share Linked Provisions:

(i) each reference in the definition of "Exchange Business Day", "Scheduled Closing Time", "Scheduled Trading Day", "Trading Disruption", "Exchange Disruption", "Early Closure" and "Disrupted Day", to the "Exchange" shall be deemed to include a reference to the primary exchange or quotation system on which the Underlying Shares are traded, as determined by the Calculation Agent; and

(ii) the definition of "Market Disruption Event", "Trading Disruption" and "Exchange Disruption" 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 7.2 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 reasonable commercial 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, or it will, within the next 15 calendar days but on or prior to the Maturity Date, Redemption Date or Settlement Date, as is applicable to the Securities, become illegal to hold, acquire or dispose of Shares, or (y) (if "Change in Law – Increased Cost" is specified to be applicable in the relevant Final Terms) 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.

"**Coupon 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.

"**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" or the "Full 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, if the relevant Final Terms specify that:

(i) the "Partial Lookthrough Depository Receipt Provisions" shall apply to a Share, 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".

(ii) the "Full Lookthrough Depository Receipt Provisions" shall apply to a Share, in respect of the definitions of "Merger Event", "Tender Offer", "Nationalisation", "Insolvency", "Delisting", "Insolvency Filing", "Market Disruption Event", "Trading Disruption" and "Exchange Disruption" 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 and, if the relevant Final Terms specify that the "Partial Lookthrough Depository Receipt Provisions" or the "Full Lookthrough Depository Receipt Provisions" shall apply to a Share, the announcement by the Depository that the Deposit Agreement is (or will be) terminated (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.

"**Observation Date** (Closing Valuation)" means, if specified to be applicable in the relevant Final Terms, in respect of a Share and an Observation Period, and unless otherwise provided in the relevant Final Terms, each Scheduled Trading Day which is not a Disrupted Day for such Share falling in the Observation Period.

"**Observation Date (Intra-Day Valuation)**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of a Share and an Observation Period, and unless otherwise provided in the relevant Final Terms, each day falling in the Observation Period on which such Share is traded on the relevant Exchange, regardless of whether such day is a Scheduled Trading Day or is a Disrupted Day for such Share.

"**Observation Period**" means, if specified to be applicable in the relevant Final Terms, in respect of a Share, the period commencing on the relevant Observation Period Start Date and ending on the relevant Observation Period End Date.

"**Observation Period End Date**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of a Share, the date specified as such in the relevant Final Terms, which shall be the last day of the relevant Observation Period, and shall be included or excluded from the Observation Period, as provided in the relevant Final Terms.

"**Observation Period Start Date**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of a Share, the date specified as such in the relevant Final Terms, which shall be the first day of the relevant Observation Period, and shall be included or excluded from the Observation Period, as provided in the relevant Final Terms.

"**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, Coupon 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 Coupon Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Coupon Valuation Date.

"**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 Coupon 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.

"**Share Price**" means, if specified to be applicable in the relevant Final Terms (and subject as such term may otherwise be defined in the relevant Final Terms), in respect of a Share and any relevant time on any relevant day, the price at which such Share trades on the relevant Exchange at such time on such day, as determined by the Calculation Agent.

"**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

1. Consequences of Disrupted Days

1.1 Single Index and Reference Dates

1.2 Single Index and Averaging Reference Dates

1.3 Index Basket and Reference Dates

1.4 Index Basket and Averaging Reference Dates

1.5 Formula for and method of calculating an Index level after the Maximum Days of Disruption

2. Fallback Valuation Date

3. Correction of Index levels

4. Consequences of Successors and Index Adjustment Events

4.1 Consequences of a Successor Index Sponsor or a Successor Index

4.2 Consequences of an Index Adjustment Event

5. Consequences of an Additional Disruption Event

6. Index Disclaimer

7. Definitions

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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 or in respect of 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 either or both of (i) 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 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 or in respect of 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 or in respect of the relevant Reference Date or Averaging Reference Date, or any other relevant date as determined by the Calculation Agent, 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 reasonable commercial 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 reasonable commercial 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 30.1 (*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 reasonable commercial 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 30.1 (*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. In addition, no representation or warranty of any type, as to condition, satisfactory quality, performance or fitness for purpose are given, or duty or liability is assumed, by the Issuer, the Guarantor (if any), their affiliates, or the Calculation Agent in respect of the Index or any data included in or omissions from the Index, or the use of the Index in connection with the Securities and all those representations and warranties are excluded, save to the extent that such exclusion is prohibited by law.

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, or it will, within the next 15 calendar days but on or prior to the Maturity Date, Redemption Date or Settlement Date, as is applicable to the Securities, become illegal to hold, acquire or dispose of Components, or (y) (if "Change in Law – Increased Cost" is specified to be applicable in the relevant Final Terms) 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 or in respect of 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.

"**Coupon 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.

"**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 Level**" means, if specified to be applicable in the relevant Final Terms (and subject as such term may otherwise be defined in the relevant Final Terms), in respect of an Index and any relevant

time on any relevant day, the official level of such Index at such time on or in respect of such day, as published by the Index Sponsor, as determined by the Calculation Agent.

"**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:

(a) the entity specified as such in the relevant Final Terms; or

(b) if no entity is specified in the relevant Final Terms, the corporation or other entity that, as determined by the Calculation Agent is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index,

and includes any corporation or other entity appointed by such entity, as determined by the Calculation Agent, that is responsible for announcing (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 or usual 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.

"**Observation Date (Closing Valuation)**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of an Index and an Observation Period, and unless otherwise provided in the relevant Final Terms, each Scheduled Trading Day which is not a Disrupted Day for such Index falling in the Observation Period.

"**Observation Date (Intra-Day Valuation)**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of an Index and an Observation Period, and unless otherwise provided in the relevant Final Terms, each day falling in the Observation Period on which the Index Sponsor publishes one or more official levels for such Index, as determined by the Calculation Agent, regardless of whether such day is a Scheduled Trading Day or is a Disrupted Day for such Index.

"**Observation Period**" means, if specified to be applicable in the relevant Final Terms, in respect of an Index, the period commencing on the relevant Observation Period Start Date and ending on the relevant Observation Period End Date.

"**Observation Period End Date**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of an Index, the date specified as such in the relevant Final Terms, which shall be the last day of the relevant Observation Period, and shall be included or excluded from the Observation Period, as provided in the relevant Final Terms.

"**Observation Period Start Date**" means, if "Observation Period" is specified to be applicable in the relevant Final Terms, in respect of an Index, the date specified as such in the relevant Final Terms, which shall be the first day of the relevant Observation Period, and shall be included or excluded from the Observation Period, as provided in the relevant Final Terms.

"**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, Coupon 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 Coupon Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Coupon Valuation Date.

"**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 Coupon 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 the relevant Exchange referenced by the Index and the relevant 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 or in respect of 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
   - 1.2 Applicability of Market Disruption Events
   - 1.3 Applicability of Disruption Fallbacks
2. **Consequences of Market Disruption Events (in respect of a Commodity Index)**
3. **Common Pricing**
4. **Correction to Published Prices**
5. **Fallback Pricing Dates**
6. **Adjustments to a Commodity Index**
7. **Early redemption following Commodity Hedging Disruption**
8. **Adjustments to Securities linked to Commodities in European Currencies**
9. **Commodity Index Disclaimer**
10. **Consequences of an Additional Disruption Event**
11. **Definitions**

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 or any other relevant date, as determined by the Calculation Agent, (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 or such other relevant 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 reasonable commercial 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 reasonable commercial 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 30.1 (*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 reasonable commercial 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. In addition, no representation or warranty of any type, as to condition, satisfactory quality, performance or fitness for purpose are given, or duty or liability is assumed, by the Issuer, the Guarantor (if any), their affiliates, or the Calculation Agent in respect of the Commodity Index or any data included in or omissions from the Commodity Index, or the use of the Commodity Index in connection with the Securities and all those representations and warranties are excluded, save to the extent that such exclusion is prohibited by law.

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 reasonable commercial 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 30.1 (*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, or it will, within the next 15 calendar days but on or prior to the Maturity Date, Redemption Date or Settlement Date, as is applicable to the Securities, become illegal to hold, acquire or dispose of any relevant commodity, futures contract, options contract or other asset, or (y) (if "Change in Law – Increased Cost" is specified to be applicable in the relevant Final Terms) 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 directly or indirectly 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, as determined by the Calculation Agent, 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 or any other relevant date, as determined by the Calculation Agent, 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, as determined by the Calculation Agent, 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 or any other relevant date, as determined by the Calculation Agent, 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 Date or other relevant date, as determined by the Calculation Agent, 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 or other relevant date, PROVIDED THAT, for the avoidance of doubt, in the event that such Pricing Date or other relevant 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 or other relevant 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 or other relevant 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 Date or any other relevant date, as determined by the Calculation Agent, 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 or other relevant date, PROVIDED THAT, in the event that such Pricing Date or other relevant 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 or other relevant 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 other relevant 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 or other relevant 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 or other relevant 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 or any other relevant date, as determined by the Calculation Agent.

"**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 or any other relevant 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 exists (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 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 or any other relevant date, as determined by the Calculation Agent, 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 or any other relevant date, as determined by the Calculation Agent, 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 other relevant date; or

  (ii) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Pricing Date or other relevant date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or Commodity on such Pricing Date or other relevant 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 or any other relevant date, as determined by the Calculation Agent, 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 reasonable commercial 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 reasonable commercial 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 reasonable commercial 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 reasonably 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 reasonable commercial discretion, to be a comparable foreign exchange rate. If the Calculation Agent determines in its reasonable commercial 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 30.1 (*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 reasonable commercial 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 30.1 (*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, or it will, within the next 15 calendar days but on or prior to the Maturity Date, Redemption Date or Settlement Date, as is applicable to the Securities, become illegal to hold, acquire or dispose of any relevant currency or assets, or (y) (if "Change in Law – Increased Cost" is specified to be applicable in the relevant Final Terms) 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).

"**Coupon 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.

"**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 reasonable commercial 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, Coupon 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**")

Contents of Annex 5

1. **Redemption and Purchase**
   - 1.1 Final Redemption
   - 1.2 Redemption for Regulatory or Taxation Reasons
   - 1.3 Redemption at the option of the Issuer
   - 1.4 Nationalisation
   - 1.5 Redemption at the option of a Holder
   - 1.6 Suspension Period
   - 1.7 Purchase
   - 1.8 Postponement
2. **Events Relating to the Underlying Shares**
   - 2.1 Adjustment Event
   - 2.2 Action by Calculation Agent
   - 2.3 Fixing of Record Date
   - 2.4 Notice of Adjustment Event
   - 2.5 Coupon Amounts
   - 2.6 Subdivisions and Consolidations
   - 2.7 Merger
   - 2.8 Change in Law
3. **Payments and other Conditions**
   - 3.1 Method of Payment
   - 3.2 Payments subject to fiscal laws
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 17 (*Taxation and Early Redemption or Termination for 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 25 (*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 25 (*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 22 (*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 25 (*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 25 (*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 25 (*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 25 (*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 25 (*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 17 (*Taxation and Early Redemption or Termination for 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 15 (*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 15 (*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)(ii), 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 reasonably 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 a 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 reasonably 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 17.4 (*Early Redemption or Termination for Taxation – Additional Amounts/Underlying Hedge Transactions*), General Condition 15.2 (*Consequences of an Event of Default*), General Condition 2.3 (*Compulsory Transfer or Redemption*), General Condition 16 (*Early Redemption or Termination for Illegality*), General Condition 17.3 (*Early Redemption or Termination for Taxation – FATCA*), 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 30.1 (*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 charges 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 to 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 aggregate 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 depositary 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 25 (*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. § 3 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 11 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 § 6 paragraph 3 sentence 3 of Part A. Minutes shall be taken of each resolution passed. § 7 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. § 8 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

[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[5] 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 (ii) 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 65 of Part A below, provided such person is one of the persons mentioned in Paragraph 65 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.][6]

[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.

---

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 To be increased to EUR 100,000 when the amendments to the Prospectus Directive are implemented.

6 Include this legend where a non-exempt offer of Securities is anticipated.

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 Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Securities in any other circumstances][7].

[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 may 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.][8]

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 22 to 62 inclusive).

Unregulated Securities: The Securities do not constitute a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA

None of the Securities constitutes a participation in a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes and none of the Securities is subject to approval, registration or supervision by the Swiss Financial Market Supervisory Authority FINMA or any other 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 and are exposed to the credit risk of the Issuer and Guarantor.

[**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]

---

[7] Include this legend where an exempt offer of Securities is anticipated.

[8] Include unless the Securities are offered by way of a public offer in or from Switzerland or for Securities listed on the SIX Swiss Exchange.

[9] Include for Securities listed on the SIX Swiss Exchange.

PART A - CONTRACTUAL TERMS

[The Issuer and/or the Guarantor may publish additional voluntary information by way of corrigenda (together, the "**Corrigenda**"). The Base Prospectus, the Final Terms and any Corrigenda are available at www.jpmorgansp.com and copies may be obtained free of charge from J.P. Morgan at Dreikoenigsstrasse 21, 8002 Zurich, Switzerland.

The Corrigenda dated after the date of the Final Terms do not form part of the listing prospectus for purposes of listing the Securities on the SIX Swiss Exchange, in respect of Securities listed on the SIX Swiss Exchange.][10]

[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*][11]) set forth in the Base Prospectus dated 11 May 2012 [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 (Luxembourg) S.A., at Vertigo Building, Polaris, 2-4 rue Eugène Ruppert, L-2453, Luxembourg and in electronic form on the Luxembourg Stock Exchange's website (www.bourse.lu).][12]

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 13 May 2011 [and the supplement dated [●] 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 11 May 2012 [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 Vertigo Building, Polaris, 2-4 rue Eugène Ruppert, L-2453, 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 11 May 2012 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).]

---

[10] Include for Swiss Securities only.

[11] In respect of fungible issuances, include Issue Date of the first Tranche.

[12] Include if admitted to trading on the Luxembourg Stock Exchange.

[*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. [13]/JPMorgan Chase & Co.[14]]
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 (*insert only if Trading in Units is specified as applicable below*)]
	[(ii)	[Tranche:	[Up to] [●]
6.	**Issue Price:**		[[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues of Notes only, if applicable*)] [[*amount in specified currency*] per Unit (*for Notes booked in Units*)]/[●] per [Warrant/Certificate] [*specify percentage of Notional Amount if booked in notional*] 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

[13] Include for Securities issued by JPMSP.

[14] Include for Securities issued by JPMBD or by JPMI.

			may take into account amounts with respect to commissions relating to the issue and sale of the Securities as well as amounts relating to the hedging of the Issuer's obligations under the Securities and secondary market prices may exclude such amounts If any commissions or fees relating to the issue and sale of the 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 the 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:**		[●][15]
8.	**Maturity Date/Settlement Date/Redemption Date:**[16]		[●][17]

[15] In the case of Market Access Participation Notes insert "Settlement Date".

(*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 9-21. If Warrants or Certificates: (i) insert "Paragraphs 9-21 are intentionally deleted"; (ii) delete paragraphs 9-21*)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE[18]

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)*
	(i)	Rate [(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear][(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)*

---

16 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".

17 In the case of Market Access Participation Notes insert "Maturity Date – see Paragraph 1 (Redemption and Purchase) of the Market Access Participation Provisions".

18 In the case of Market Access Participation Notes, items 9, 10, 11, 12, 14 and 15 shall be "Not Applicable".

(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][19] *(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:	[●]
	(iii)	Any other formula/basis of determining amount payable:	[●]
13.	**Variable Linked Interest Provisions:**		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs 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 sub-paragraphs of this paragraph)*
	(i)	Rate of Exchange/Method of	[*Give details*]

[19] In the case of Market Access Participation Notes insert "Applicable – see also the Coupon Amount provisions in the Market Access Participation Provisions".

	calculating Rate of Exchange:	
(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 NOTES[20]

15.	**Call 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) and method, if any, of calculation of such amount(s):		[●] per Note of [●] Specified Denomination
(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) and method, if any, of calculation of such amount(s):		[●] per Note of [●] Specified Denomination
(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)*]

[20] In the case of Market Access Participation Notes, items 15, 16, 19, 20 and 21 shall be "Not Applicable".

17.	**Final Redemption Amount:**		[[●] per Note of [●] Specified Denomination (*or insert formula for calculation of Final Redemption Amount*)][21]
	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 is impossible or impracticable or otherwise disrupted:	[[See paragraph[s] 42/43/44/45] (*or specify other*)]
18.	**Early Payment Amount:**		
	Early Payment Amount(s) payable on an event of default (General Condition 15), termination for illegality (General Condition 16) or redemption for taxation reasons (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 30 (*or specify other*)][22] / [As set out in General Condition 5.5 [*insert for Zero Coupon Notes*]]
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):	[●]

[21] In the case of Market Access Participation Notes insert "In respect of each Note, the Redemption Value – see the Market Access Participation Provisions".

[22] In the case of Market Access Participation Notes insert "Not Applicable – See the Market Access Participation Provisions".

			(*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.	**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 22-33. If Notes or Certificates: (i) insert "Paragraphs 22-33 are intentionally deleted"; (ii) delete paragraphs 22-33*)

22.	**European, American or Bermudan Style:**	[European/American/Bermudan] Style[23]
23.	**Automatic Exercise:**	[●]
24.	**Expiration Date:**	[●]
25.	**Expiration Date subject to Valuation Date adjustment:**	[Applicable / Not Applicable]
26.	**Potential Exercise Date(s):**	[[●] / Not Applicable] (For Bermudan style Warrants only)
27.	**Potential Exercise Date subject to Valuation Date adjustment:**	[Applicable / Not Applicable] (*For Bermudan style Warrants only*)
28.	**Exercise Amount:**	[●]
29.	**Exercise Date(s)/Period:**	[●]
30.	**Minimum Exercise Number:**	[●]
31.	**Maximum Exercise Number:**	[●]
32.	**Cash Settlement/ Issuer Physical Settlement/ Holder Physical Settlement:**	[Cash Settlement/Issuer Physical Settlement/Holder Physical Settlement/ other (*specify*)] is applicable

[23] Specify "American Style" in respect of all Low Exercise Price Warrants.

33.	**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*)]
	(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] [42/43/44/45] (*or specify other*)]]

[PROVISIONS APPLICABLE TO CERTIFICATES

(*If Certificates: retain paragraphs 34-41. If Notes or Warrants: (i) insert "Paragraphs 34-41 are intentionally deleted"; (ii) delete paragraphs 34-41*)

34.	**Cash Settlement/Physical Settlement:**		[Cash Settlement is applicable/Physical Settlement is applicable]/Cash Settlement and/or Physical Settlement is applicable]
35.	**Call 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) and method, if any, of calculation of such amount(s):	[●] per Certificate
	(iii)	If redeemable in part:	[●]
		(a) Minimum notional amount to be redeemed:	[●]
		(b) Maximum notional amount to be redeemed:	[●]
	(iv)	Description of any other Issuer's option:	[●]
	(v)	Notice period (if other than as set out in General Condition 9.1):	[As specified in General Condition 9.1 / *other (specify)*]
36.	**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) and method, if any, of calculation of such amount(s):	[●] per Certificate
	(iii)	Description of any other Holders' option:	[●]
	(iv)	Notice period (if other than as set out in General Condition 9.2):	[As specified in General Condition 9.2 / *other (specify)*]
37.	**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] 42/43/44/45 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] [42/43/44/45] (*or specify other*)]
38.	**Exercise applicable to Certificates (General Condition 10):**		[Applicable/Not Applicable] (*If applicable, specify provisions*)
39.	**Minimum Transferable Amount:**		[●][24]

CERTIFICATE COUPON PROVISIONS

40.	**Certificate Coupon Provisions (General Condition 8):**		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(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*)

[24] Only applicable for Italian Certificates.

	(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]]
41.	**Certificate Floating Rate Coupon Provisions (General Condition 8.3):**		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs 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

42.	**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)	Share Price:		[Applicable / Not Applicable]
(vi)	Initial Valuation Date(s):		[Not Applicable /[●]]
(vii)	Interest Valuation Date(s):		[Not Applicable / [●]]
(viii)	Coupon 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 Share Linked Provision 9 / Other (*specify*)]
(xiv)	Maximum Days of Disruption:	[Eight Scheduled Trading Days as specified in Share Linked Provision 9 / 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 Share Linked Provision 9 / Not Applicable]
(xvii)	Observation Period:	[Applicable / Not Applicable] *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
	(a) Observation Period Start Date:	[●], [Including / Excluding]
	(b) Observation Period End Date:	[●], [Including / Excluding]
	(c) Observation Date (Closing Valuation):	[Applicable / Not Applicable]
	(d) Observation Date (Intra-Day Valuation):	[Applicable / Not Applicable]
(xviii)	Share Substitution:	[Applicable / Not Applicable]
(xix)	Hedging Disruption:	[Applicable / Not Applicable]
(xx)	Change in Law - Increased Cost:	[Applicable / Not Applicable]
(xxi)	Insolvency Filing:	[Applicable / Not Applicable]
(xxii)	Partial Lookthrough Depository Receipts Provisions:	[Applicable / Not Applicable]
(xxiii)	Full Lookthrough Depository Receipts Provisions:	[Applicable / Not Applicable]

INDEX LINKED PROVISIONS

43.	**Index Linked Provisions:**	[Applicable / Not Applicable]

		(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Single Index or basket of Indices:	[Single Index / Basket of Indices]
(ii)	Index/Indices:	*[Name of Index/Indices (Bloomberg Code(s): [●])]*
(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)	Index Level:	[Applicable / Not Applicable]
(viii)	Initial Valuation Date(s):	[Not Applicable / [●]]
(ix)	Interest Valuation Date(s):	[Not Applicable / [●]]
(x)	Coupon Valuation Date(s):	[Not Applicable / [●]]
(xi)	Periodic Valuation Date(s):	[Not Applicable / [●]]
(xii)	Valuation Date(s):	[Not Applicable / [●]]
(xiii)	Initial Averaging Date(s):	[Not Applicable / [●]]
(xiv)	Averaging Date(s):	[Not Applicable / [●]]
(xv)	Valuation Time:	[As specified in Index Linked Provision 7 / Other (*specify*)]
(xvi)	Maximum Days of Disruption:	[Eight Scheduled Trading Days as specified in Index Linked Provision 7 / Zero / None / Other (*specify*)]
(xvii)	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]
(xviii)	Fallback Valuation Date:	[Applicable: specify date(s) / second Business Day prior to payment date as specified in Index Linked Provision 7 / Not Applicable]
(xix)	Observation Period:	[Applicable / Not Applicable]
		(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)
	(a) Observation Period Start	[●], [Including / Excluding]

		Date:	
	(b)	Observation Period End Date:	[●], [Including / Excluding]
	(c)	Observation Date (Closing Valuation):	[Applicable / Not Applicable]
	(d)	Observation Date (Intra-Day Valuation):	[Applicable / Not Applicable]
(xx)		Change in Law - Increased Cost:	[Applicable / Not Applicable]
(xxi)		Hedging Disruption:	[Applicable / Not Applicable]

COMMODITY LINKED PROVISIONS

44.	**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	[Following / Modified Following / Nearest /

		Business Day Convention:	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 11 / [●]]
	(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/Issue Date/ Not Applicable] [The Trade Date is [●]]
	(x)	Change in Law - Increased Cost:	[Applicable / Not Applicable]
	(xi)	Hedging Disruption:	[Applicable / Not Applicable]
	(xii)	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

45.	**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 / [●]]

[25] Usually applicable in respect of emerging market currencies.

[26] Usually applicable in respect of emerging market currencies.

(x)	Coupon Valuation Date(s):	[Not Applicable / [●]]
(xi)	Valuation Date(s):	[Not Applicable / [●]]
(xii)	Initial Averaging Date:	[Not Applicable / [●]]
(xiii)	Averaging Date(s):	[Not Applicable / [●]]
(xiv)	FX Financial Centres:	[●]
(xv)	FX Business Day Convention:	[Following / Modified Following / Nearest / Preceding / No Adjustment]
(xvi)	Valuation Time:	[Not Applicable / [●]]
(xvii)	FX Disruption Events:	[Price Source Disruption and/or Inconvertibility Event as specified in FX Linked Provision 7 / Other (*specify*)]
(xviii)	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 (*specify*)]
	(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]
(xix)	Averaging Reference Dates – Omission:	[Not Applicable / Applicable]
(xx)	Fallback Valuation Date:	[Applicable: specify date(s) / second Business Day prior to payment date as specified in FX Linked Provision 7 / Not Applicable]
(xxi)	Successor Currency:	[Not Applicable / Applicable]
(xxii)	Rebasing:	[Not Applicable / Applicable]
(xxiii)	Change in Law - Increased Cost:	[Not Applicable / Applicable]
(xxiv)	Hedging Disruption:	[Not Applicable / Applicable]

MARKET ACCESS PARTICIPATION PROVISIONS

46. **Market Access Participation Provisions:** [Applicable / Not Applicable]

(If Not Applicable, delete the remaining sub-paragraphs 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

47. **Low Exercise Price Warrant Provisions:** [Applicable/Not Applicable]

(If Not Applicable, delete the remaining sub-paragraphs 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

48.	**New Global Note:**		[Yes/No] [Not Applicable][27]
49.	**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] [*Delete as appropriate*] [*If Swiss Securities in uncertificated form*] [Swiss Securities in uncertificated form exchangeable for Registered Securities in definitive form at the option of the Swiss Programme Agent in accordance with the General Conditions] [*If Swiss Securities represented by a Global Security*] [Swiss Global Security exchangeable for Registered Securities in definitive form at the option of the Swiss Programme Agent in accordance with the General Conditions]
	(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, each of which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the relevant Bearer Global Security or (ii), in the case of a Permanent Bearer Global Note only, 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 on the terms as set forth in the relevant Permanent Bearer Global Security] [*if registered, and not French Registered Securities/ Swedish / Finnish / Norwegian / Rule 144A Securities / Danish Notes*] [Temporary Registered Global Security which is exchangeable for a Permanent Registered Global Security, each of which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the relevant Registered Global Security or (ii) in the case of a Permanent Registered Global Note only, at any time at the option of the Issuer by giving notice to the Holders and the Registrar of its intention to effect such exchange on the terms as set forth in the relevant Permanent Registered Global

[27] Specify "Yes" or "No" with respect to Bearer Notes in global form. For all other Securities specify "Not Applicable".

			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 / Finnish / Norwegian / French / Swiss Securities / Danish Notes*)
	(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 Notes[29] / Masse:	[Not Applicable / Applicable / General Condition 22.3 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 22.3 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, General Condition 22.3 must be waived in its entirety and replaced by the provisions of French Code de commerce relating to the Masse. If General Condition 22.3 (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)	Regulation S/Rule 144A Warrants:	[Not Applicable/Applicable]
50.	**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*)
51.	**Additional Financial Centre(s) (General Condition 12.2) or other special**		[Not Applicable/*Give details. Note that this item relates to the place of payment*]

[28] Please select "Yes" only if the Notes are French Notes and 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 22.3 *(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 22.3 (*Meetings of Holders of French Notes (Masse)*).

provisions relating to payment dates:

52.	**Payment Disruption Event (General Condition 13):**		[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]
53.	**Early Redemption for Tax on Underlying Hedge Transactions (General Condition 17.4):**		[Applicable/Not Applicable]
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)	Non U.S. Certification:	[Applicable/Not Applicable]
	(ix)	Eligible Investor Certification:	[Applicable/Not Applicable]
	(x)	Other terms or special conditions:	[●]
55.	**Calculation Agent:**		[J.P. Morgan Securities Ltd. / J.P. Morgan Securities LLC]
56.	**Redenomination, renominalisation and reconventioning provisions:**		[Not Applicable / General Condition 20 is applicable]
57.	**Gross Up (General Condition 17):**		[Not Applicable / Applicable – as specified in General Condition 17.1 / Other (specify)] *[If Not Applicable, delete next sub-paragraph]*
	Exclude Section 871(m) Taxes from Gross Up (General Condition 17):		[Not Applicable / Applicable – as specified in General Condition 17.1 / Other (specify)]
58.	**Rounding:**		[General Condition 21 applies / Other (specify)]

59.	**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

60.	**If non-syndicated, name and address of Dealer:**	[J.P. Morgan Securities Ltd. [of 125 London Wall, London EC2Y 5AJ]]/[J.P. Morgan Securities (Asia Pacific) Limited of 25/F Chater House, 8 Connaught Road Central, Hong Kong] [J.P. Morgan Securities LLC of 383 Madison Avenue, 5th Floor, New York, New York 10179, United States of America] [(*include JPMS 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*.]
61.	**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: [●]]

62. **Total commission and concession:** [[●] per cent. of the Aggregate Nominal Amount / See paragraph 6 / Not Applicable]

63. **U.S. selling restrictions:** [Regulation S] /[Rule 144A)][30]

[Regulation S/Rule 144A Warrants issued by JPMSP may be sold to certain investors outside the United States in "offshore transactions" (as defined in Regulation S) in reliance on Regulation S and to certain qualified investors in the United States in reliance on Rule 144A of the Securities Act.

The Securities will constitute "registration required obligations" issued in registered form for U.S. federal income tax purposes][31]

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" and "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (b) JPMSP/JPMBD/JPMI Standard Restrictions" in the Base Prospectus.

30 Include the appropriate option in respect of all Securities other than Regulation S/Rule 144A Warrants.

31 Insert for Regulation S/Rule 144A Warrants.

[*(B) If the Securities are being issued by JPMSP, JPMBD or JPMI, then, only if the Issuer has satisfied itself 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" and "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (c) 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" and "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (a) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" in the Base Prospectus.]

ERISA Restrictions for Regulation S/Rule 144A Warrants

[(A)Insert the following (which is the standard default position) unless paragraph B immediately below applies:] 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", "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (b) JPMSP/JPMBD/JPMI Standard Restrictions" in the Base Prospectus.]

[(B) Insert the following only if the Issuer has satisfied itself that the Securities do not constitute equity interests for purposes of ERISA:] 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", "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (c) JPMSP/JPMBD/JPMI Special Restrictions" in the Base Prospectus.]
64.	**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
65.	**Additional Selling Restrictions:**	*[Specify if different from those set out in the Base Prospectus under "Subscription and Sale"/Not applicable]*
66.	**Swiss Public Offer:**	[Yes/No][32]

GENERAL

67.	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.][33]

[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

---

[32] Insert "Yes" in the case of Securities offered by way of a public offer in or from Switzerland or Securities listed on the SIX Swiss Exchange.

[33] Insert in respect of all Securities (including Swiss Securities) other than Swiss Securities listed on SIX.

omitted from the listing prospectus consisting of these Final Terms and the Base Prospectus as supplemented as of the date hereof][34]

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.

Signed on behalf of the Issuer:

By: _____

Duly authorised

[**Signed on behalf of the Guarantor:**

By: _____

Duly authorised]

[34] Insert in respect of Swiss Securities listed on SIX only.

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/Euronext Paris by Euronext Paris S.A./Borsa Italiana S.p.A./OMX Nordic Exchange Helsinki Ltd./Irish Stock Exchange/Warsaw 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 25.7][35].

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]]

[[*Insert credit rating agency*] is established in the European Union and has applied for registration under Regulation (EU) No. 1060/2009, although notification of the corresponding registration

[35] Include for Securities listed on the SIX Swiss Exchange.

decision has not yet been provided by the relevant competent authority.] / [[*Insert credit rating agency*] is established in the European Union and registered under Regulation (EU) No. 1060/2009.] / [[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EU) No. 1060/2009.] / [[*Insert credit rating agency*] is not established in the European Union but [*insert endorsing credit rating agency*], which is registered under Regulation (EU) No. 1060/2009, has indicated that it intends to endorse the ratings of [*insert credit rating agency*] where possible.]

[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 [issue/offer] of the Securities has an interest material to the [issue/offer]."]

REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES[36]

[(i)	Reasons for the offer:	[Not Applicable] (*See "Use of Proceeds" - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here*)]
[(ii)	Estimated net proceeds:	[Not Applicable/[●]] (*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*.)]
[(iii)	Estimated total expenses:[37]	[Not Applicable/[●] [Include breakdown of expenses] *(If the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies or debt securities to which Annex V of the Prospectus 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)*
[(iii)	Estimated total expenses related to the admission to trading:[38]	[Not Applicable/[●] [Include breakdown of expenses]

[36] Include only where the Securities will be admitted to trading on a regulated market.

[37] Include only if the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies or debt securities to which Annex V of the Prospectus Regulation applies.

[38] Include only if the Securities are debt securities to which Annex XIII of the Prospectus Regulation applies.

[**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 RISKS]**[39] **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 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:	[●]

[39] Include only where the Securities have a minimum denomination of less than EUR 50,000.

[RIC:	[●]][40]
Common Code:	[●]
[CUSIP:	[●]][41]
[Swiss Securities Number: (*Valorennummer*)	[●]][42]
[Ticker Symbol (SIX):	[●]][43]
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)*] [*For zloty-denominated Securities being cleared through Euroclear and Clearstream, Luxembourg and bridged via the National Depositary for Securities (Krajowy Depozyt Papierow Wartosciowych) for Polish investors, insert the following language:* Euroclear/Clearstream, Luxembourg. Polish investors will generally need to participate via an account with the National Depositary for Securities or have an account with the participant of the National Depositary for Securities. The National Depositary for Securities will, in turn, have an account ("bridge") with Euroclear or Clearstream, Luxembourg.]
Delivery:	Delivery [against/free of] payment
[Payment:	Issue Date][44]
The Agents appointed in respect of the Securities are:	[*Specify*] / [As set out in the Agency Agreement]
Registrar:	[*Specify*] / [Not Applicable]

[TERMS AND CONDITIONS OF THE OFFER[45]

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 /*

40 Only applicable to Swiss Securities.

41 Insert for Rule 144A Securities.

42 Only applicable to Swiss Securities.

43 Only applicable to Swiss Securities listed on the SIX Swiss Exchange.

44 Only applicable to Swiss Securities listed on the SIX Swiss Exchange.

45 Only applicable to public offers.

	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 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 distributor 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*)

	The Issuer reserves the right to extend or close the Offer Period at any time, even if the issue volume has not yet been reached 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 are no pre-identified allotment criteria. The distributors will adopt allotment criteria that ensure 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.]
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 Offer 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 in accordance with the Listing Rules of the market managed and organised by Borsa Italiana S.p.A ("*Regolamento di Borsa*"). 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:	[Not Applicable/*give details*/See "Purchase and Offer by [●]" below] [*Insert in the case of public offers in Italy*:] [Securities will be available on a delivery versus payment basis The Issuer estimates that the Securities will be delivered to the purchaser's respective book-entry securities accounts on or around the Issue Date]
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 [●]] [*Include if Securities are listed on more than one exchange and if*

	applicable] [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:	[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] [*Insert in the case of public offers in Italy*:] 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 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 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]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*] [*In respect of Swedish/Norwegian/Finnish/ Danish public offers, insert*: [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 Stamp Taxes

The issuance of Securities to the initial holders at the original offering price (primary market) is not subject to the Swiss federal issuance stamp tax and the Swiss federal securities turnover tax (*Umsatzabgabe*), except that the issuance of Securities which classify as fund-like instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the offering price, 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, additionally, if no exemption applies.

Dealings in Securities (secondary market) 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., fully-funded Securities statically replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are exempt from Swiss federal securities turnover tax. Dealings in other Securities may be subject to Swiss federal securities turnover tax of up to 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, additionally, if no exemption applies.

The physical delivery of a security at exercise or redemption to the holder of the Security may be 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 delivery and, additionally, if no exemption applies.

Swiss Withholding Tax

Payments under the Securities will not be subject to Swiss federal withholding tax.

On 24 August 2011 the Swiss Federal Council issued draft legislation, which, if enacted, may require a paying agent in Switzerland to deduct Swiss withholding tax at a rate of 35 per cent. on any payment under a Security, which is classified as interest, to an individual resident in Switzerland (including if to an entity treated fiscally transparent and interest therein is held by such an individual resident in Switzerland) or to a person (not only individual) resident outside Switzerland (see below "—Income Taxation, Securities held as Private Assets by a Swiss resident Holder, paragraph (a) Structured Securities" as concerns the interest classification of payments).

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 a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will in respect of such Security not be subject to income tax in Switzerland.

Securities held as Private Assets by a Swiss resident Holder

(a) *Structured Notes*

If a Security classifies as a structured instrument, i.e. as derivative financial instrument(s) with a bond-like prefunding component embedded therein, its income taxation depends on whether (i) the embedded bond component and the embedded derivative financial instrument(s) are reported separately from each other, or, if the Security is a standard product, alternatively the values of the embedded bond component and the embedded derivative financial instrument(s) can at any time be determined analytically by using standard valuation programs, and (ii) the Security classifies as a structured instrument 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) and if the conditions for analytical determination of the values of the embedded bond and the embedded derivative financial instrument(s) set forth above do not apply, then 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) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium (see below "—Transparent derivative financial instruments with a predominant one-time interest payment"), then a person who is an individual resident in Switzerland holding such a Security as a private asset is required to include any periodic and one-time interest payments received on the Security in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Optium premium received, and a gain, including in respect of interest accrued, a loss, respectively, realised on the sale of such a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

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) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if 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 a person who is an individual resident in Switzerland holding such a Security as a private asset, is required to include any periodic interest payments received on the Security and, in addition, any amount equal to the difference between the value of the Security at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Any compensation received by such a holder for the embedded derivative, i.e., optium premium received, and any residual gain, and a loss, respectively, realised on the sale of such a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. However, notwithstanding the foregoing, such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Security against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

(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 (i.e., the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium), then a person who is an individual resident in Switzerland holding such a Security as a private asset is required to include any periodic and one-time interest payments received on such Security, converted into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain, including, *inter alia*, in respect of interest accrued or foreign exchange rate, a loss, respectively, realised on the sale of such 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 of which 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 a person who is an individual resident in Switzerland holding such a Security as a private asset, is required to include any periodic interest payments received on the Security and, in addition, any amount equal to the difference between the value of the Security at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Security against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

(c) *Pure Derivative Financial Instruments*

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, 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 discount certificates with a maturity not exceeding twelve months) and which is held as part of the individual's private assets is a tax-free private capital gain. Conversely, a capital loss realised on the sale or redemption of such a Security cannot be set off against taxable income. Dividend equalisation payments on such a Security constitute taxable investment income.

(d) *Low Exercise Price Warrants*

A fully pre-funded call option with a term of not more than one year classifies as pure derivative financial instrument (see taxation treatment above "—Pure Derivative Financial Instruments"). If the term of a call option exceeds one year and the instrument underlying the call option is pre-financed by 50 per cent. or more at the time of issuance then the interest component embedded in such an instrument (i.e., issue discount) constitutes taxable interest income (see taxation treatment above "—Structured Notes ".

(e) *Fund-like Securities*

A Security which is classified as 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 costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Security as part of his or her private assets receives taxable income (which he or she must report annually) over such portion of 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 Security (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised on such a Security 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

Interest payments on a Security made by a Swiss paying agent to an individual resident in an EU Member State are subject to EU savings tax. The tax is withheld at a rate of 35 per cent. 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][46] [by publishing the relevant notice, publication or, in case of amendments or corrections in accordance with General Condition 22, the amended or corrected Final Terms [on the following website] / [in the following newspaper]: [●]][47]

[Representatives (for purposes of article 43 of the Listing Rules of the SIX Swiss Exchange): [Homburger AG, Prime Tower, Hardstrasse 201, 8005 Zurich, 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).][48]

No Material Change: 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].

[46] Include for Swiss Securities listed on the SIX Swiss Exchange.

[47] Include for unlisted Swiss Securities.

[48] 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 are 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 11 May 2012.

The Base Prospectus dated 11 May 2012 has been supplemented by the following Supplement[s]:

Supplement	**Description**	**Date**
Supplement No. [●]	in respect of [*insert short description of content*]	[●]

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,

[garantiert von

[JPMorgan Chase Bank, N.A./JPMorgan Chase & Co.]]

[*Gesamtnennbetrag der Tranche (oder bei Stücknotiz Gesamtanzahl der Schuldverschreibungen)*][1]
[*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,

[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 (einschließlich aller Änderungen durch die Richtlinie 2010/73/EU) (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]. Die Emittentin [und/oder Garantin] [kann] [können] nach Ablauf der Gültigkeit des Basisprospekts zusätzliche freiwillige Informationen in Form von Corrigenda (die "**Corrigenda**") veröffentlichen. Der Basisprospekt und die Endgültigen Bedingungen (ebenso wie [der] [die] Veröffentlichte[n] [Nachtrag] [Nachträge] und etwaige Corrigenda) [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 Directive 2003/71/EC (including all amendments thereto by Directive 2010/73/EU) (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 Issuer [and/or the Guarantor] may publish additional voluntary information by way of corrigenda after the expiry date of the Base Prospectus (the "**Corrigenda**"). The Base Prospectus and the Final Terms (together with the Published Supplement[s] and any Corrigenda) [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)] [[regulierten Markt][Euro MTF Markt] [der] Luxemburger Wertpapierbörse] [***Wertpapierbörse und Marktsegment einfügen***] [wurde beantragt] [wird beantragt werden].] [***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] [Euro MTF Market] [of the] Luxembourg Stock Exchange] [insert relevant stock exchange and market segment]. **[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.***]

[Unregulierte Wertpapiere: Die Wertpapiere unterstehen nicht der Aufsicht der Eidgenössischen Finanzmarktaufsicht FINMA

Die Wertpapiere stellen keine kollektiven Kapitalanlagen im Sinne des schweizerischen Bundesgesetzes über die kollektiven Kapitalanlagen dar und sind von der Eidgenössischen Finanzmarktaufsicht FINMA nicht danach zugelassen. Deshalb profitieren weder die Wertpapiere noch deren Inhaber von dem Anlegerschutz nach dem schweizerischen Bundesgesetz über die kollektiven Kapitalanlagen oder von der Aufsicht durch die Eidgenössischen Finanzmarktaufsicht FINMA, und die Anleger sind dem Kreditrisiko der Emittentin und der Garantin ausgesetzt.

Unregulated Securities: The Securities are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA

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 are not licensed by the Swiss Financial Market Supervisory Authority FINMA thereunder. Accordingly, neither the Securities nor holders of the Securities benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by the Swiss Financial Market Supervisory Authority FINMA and investors are exposed to the credit risk of the Issuer and the Guarantor.]

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)] [und gegebenenfalls, bei Rückzahlung oder Ausübung zu liefernde Wertpapiere] wurden nicht und werden nicht nach dem U.S. 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 [(oder die Garantie)] von der U.S. Commodity Futures Trading Commission gemäß der jeweils gültigen Fassung des U.S. Commodity Exchange Act genehmigt. [Von JPMorgan Chase Bank, N.A begebene Wertpapiere bzw. die Garantie von JPMorgan Chase Bank, N.A. wurden nicht und werden nicht gemäß den Vorschriften des U.S. Comptroller of the Currency registriert.] Die Wertpapiere dürfen zu keinem Zeitpunkt innerhalb der Vereinigten Staaten direkt oder indirekt angeboten, verkauft, verpfändet, abgetreten, übergeben, zurückgezahlt, ausgeübt oder anderweitig übertragen oder gegenüber, bzw. für Rechnung oder zugunsten von, U.S.-Personen (wie in der Regulation S unter dem Securities Act ("**Regulation S**") in seiner jeweils gültigen Fassung definiert) bzw. United States Personen (wie in 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. Beschränkungen bezüglich des Angebots und Verkaufs der Wertpapiere, einschließlich von Beschränkungen in Bezug auf deren Weiterverkauf oder Übertragung, insbesondere gewisse Zusicherungen und Vereinbarungen, die als Bedingung für den Erwerb von Wertpapieren oder von rechtlichem oder wirtschaftlichem Eigentum daran von jeder Person, die zu einem Zeitpunkt Wertpapiere kauft, abgegeben oder eingegangen werden müssen bzw. die von einer solchen Person als abgegeben oder eingegangen gelten, und bezüglich 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)] [and the securities to be delivered upon redemption or exercise of the Securities, if any], 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 [(and the Guarantee)] has not been approved by the U.S. Commodity Futures Trading Commission under the U.S. Commodity Exchange Act, as amended. [The Securities issued by

JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee have not been and will not be registered under the rules of the U.S. Comptroller of the Currency.] Subject to certain exceptions, the Securities may not be, at any time, offered, sold, pledged, assigned, delivered, transferred, exercised or redeemed at any time within the United States 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**") (as amended)) or any United States person (as such term us defined in 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. For a description of certain restrictions on offers and sales of Securities, including on resales or transfer thereof, and in particular certain agreements and representations that any person who purchases Securities at any time is required to make, or is deemed to have made, as a condition to purchasing such Security or any legal or beneficial interest therein 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 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 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 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 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.] [[oder] 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.] [[oder] 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.] [[or] 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.] [[or] 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 Dokuments 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.]] Rating zum Datum dieses Dokuments: [Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.: [●]] [Moody's Investors Service, Inc.: [●]] [Fitch, Inc.: [●]] [[***Name der Ratingagentur[en] einfügen***] [hat] [haben] ihren Sitz in den Vereinigten Staaten.] [[***Name der Ratingagentur[en] einfügen***] [hat][haben jeweils] einen Sitz in der Europäischen Gemeinschaft und [[hat][haben jeweils] einen Antrag auf Registrierung] [[ist][sind]] gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen [gestellt] [registriert].]
[*Guarantor*:	[JPMorgan Chase Bank, N.A.] [JPMorgan Chase & Co.]] Rating as of the date of this Document: [Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.: [●]] [Moody's Investors Service, Inc.: [●]] [Fitch, Inc.: [●]] [[***insert name of the credit rating*** [***agency***][***agencies***]] [*is*] [*are*] *established in the United States.*] [[***insert name of the credit rating [agency][agencies]]*** *[is][are each] established in the European Community and [[has][have each] filed an application for registration] [registered] under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.*]
[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.*)	[●]]
Ausgabetag:	[●]
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 [bis zu] [●] % 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 [up to] [●] 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 Gebührenzahlungen 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 of Securities.*

Umfang der Emission:

[In Bezug auf jede Serie von Wertpapieren jeweils] [bis zu] [●] Wertpapiere [im Gesamtnennbetrag von [bis zu] [●]].

[[Die][Der] [Anzahl][Gesamtnennbetrag] der Wertpapiere, die am Ausgabetag emittiert werden, wird am Ende der Zeichnungsfrist festgelegt werden. 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.]

[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.]

Issue size:

[In respect of each Series of Securities in each case] [up to] [●] Securities [in the aggregate nominal amount of [up to] [●]].

[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**].]* *[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][●].]*
Form:	[Vorläufige Globalurkunde, austauschbar gegen eine Dauerglobalurkunde.][●]
Form:	[*Temporary Bearer Global Security exchangeable for a Permanent Bearer Global Security*.][●]
[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*:	[***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*]]
[Falls syndiziert: Namen, Adressen und Übernahmeverpflichtung der Manager:	[Nicht Anwendbar] [***Namen Adresse(n) und Übernahmeverpflichtung(en) einfügen***] [***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***]]
[*If syndicated: names and addresses of Managers and underwriting commitment:*	[*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***]]
Datum des Übernahmevertrages:	[Am bzw. um den Ausgabetag][●]
Date of Subscription Agreement:	[*On or around the Issue Date*] [●]
[Kursstabilisierende Stelle:	[Nicht Anwendbar] [***Namen einfügen***]]
[*Stabilising Agent*:	[*Not Applicable*] [***give name***]]
[Provision des Dealers:	[●]]
[*Dealer's Commission*:	[●]]
[Falls nicht syndiziert: Name des Dealers:	[Nicht Anwendbar] [***Name einfügen***]]
[*If non-syndicated: name of Dealer:*	[*Not Applicable*] [***give name***]]

Berechnungsstelle:	[●]
Calculation Agent:	[●]
Market Making:	[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]
[***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:	*[To the extent and as long as the Securities are traded on the open market or 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]*
[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:	Zu keinem Zeitpunkt Angebot, Verkauf, Verpfändung, Abtretung, Lieferung, Übertragung, Ausübung 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 den Allgemeinen Bedingungen, die Bestandteil der Konsolidierten Bedingungen sind, 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" und "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (b) JPMSP/JPMBD/JPMI Standard Restrictions" im Basisprospekt.]]
	[***Falls die Wertpapiere von JPMSP oder JPMBD begeben werden, ist – nur wenn sich die Emittentin 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" und "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (c) 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" und "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (a) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" im Basisprospekt.]

U.S. selling restrictions: *No offers, sales, pledges, assignments, deliveries, transfers, exercises 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 General Conditions which form part of the Consolidated Conditions.*

[***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" and "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (b) 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 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" and "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (c) 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" and "Transfer Restrictions – ERISA Legends and ERISA Restrictions – (a) JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. issued Securities" in the Base Prospectus.]]
[Zusätzliche Verkaufsbeschränkungen: [***Angeben, wenn diese von den im Basisprospekt unter "Subscription and Sale" aufgeführten abweichen***]	[Nicht Anwendbar][***Details einfügen***]]
[*Additional selling restrictions:* **[*Specify if different from those set out in this Base Prospectus under "Subscription and Sale"*]**	[*Not Applicable*][***give details***]]
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*.]
[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*.]]
[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*.]]
[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*.]]
Clearingsystem(e) und Verwahrstelle:	[Clearstream, Frankfurt (auch Verwahrstelle)][,] [Clearstream, Luxemburg][,] [Euroclear][,] [und] [***Ersatzclearingsystem einfügen***] [[Gemeinsame] Verwahrstelle: [●]]
Clearing system(s) and Depositary:	[Clearstream, Frankfurt (also depositary)][,] [Clearstream, Luxembourg][,] [Euroclear][,] [and] [***insert alternative Clearing System***] [[*Common*]*Depositary*: [●]]
Lieferung:	Lieferung [gegen][frei von] Zahlung
Delivery:	*Delivery [against][free of] payment*
Informationen nach Emission:	[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***]
Post Issuance Information:	*[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 her****e]*
[Gründe für das Angebot:	[***sofern nicht Gewinnerzielung und/oder Absicherung bestimmter Risiken: [●] [Nettoerlös***: [●]] [Nicht Anwendbar]]
[Reasons for the Offer:	***[if different from making profit and or hedging risks****: [●] [****Net proceeds****: [●]] [Not Applicable]]*
Anwendbares Recht:	Deutsches Recht. [Die Garantie unterliegt dem Recht von New York.]
Governing Law:	*German law. [The guarantee is governed by New York law.]*
[Gerichtsstand:	[Frankfurt am Main][●]]
[Jurisdiction:	*[Frankfurt am Main][●]]*

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, angegebenen 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 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 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, beigefügt.***]

[***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***.]

[[*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 1*] (Basiswerttabelle [1] / *Reference Asset Table [1]*)	[●]	[●]
[●]	[●]	[●]	[Korb [●] / *Basket* [●]] (Basiswerttabelle [●] / *Reference Asset Table* [●])	[●]	[●]

]

[[***Zusätzlich einzufügen, 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 / *Consecutive number of the Reference Asset*	Bezeichnung des Basiswerts [/ Aktienemittentin] / *Identification of Reference Asset [/ Share Issuer*]	[Börse/ *Exchange*]	[ISIN]	[andere Angaben einfügen / *insert other information*]	[Öffentlich zugängliche Informationsquelle / *Publicly available source of information*]
[1]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]

Basiswerttabelle [●] / *Reference Asset Table* [●] [(Korb [●] / *Basket* [●])]:

Laufende Nummer des Basiswerts / *Consecutive number of the Reference Asset*	Bezeichnung des Basiswerts [/ Aktienemittentin] / *Identification of Reference Asset [/ Share Issuer]*	[Börse/ *Exchange*]	[ISIN]	[andere Angaben einfügen / *insert other information*]	[Öffentlich zugängliche Informationsquelle / *Publicly available source of information*]
[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, National Association and JPMorgan Chase & Co. Structured Products Programme for the issuance of Notes, Warrants and Certificates (the "Programme")

11 May 2012

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 organised 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 issued by an Obligor, the "**Beneficiaries**"), pursuant to (a) an amended and restated agency agreement dated 11 May 2012 among the Obligors, J.P. Morgan Structured Products B.V., JPMorgan Chase Bank, N.A., JPMorgan Chase & Co. ("**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), Branch Operation in Finland, BNP Paribas Securities Services and Credit Suisse AG (the "**Agency Agreement**"), with the benefit of (b) (to the extent such Securities are governed by English law) a Deed of Covenant dated 11 May 2012 executed by the 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 11 May 2012 between, amongst others, the 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 the Obligors under the Programme on or after 11 May 2012 (the "**Effective Date**"), the Guarantee referenced in the Base Prospectus for the Programme dated 13 May 2011 (the "**Original Guarantee**") save as provided in the immediately following sentence. The Original Guarantee shall apply in respect of any Securities issued by the relevant Obligor on or after the Effective Date ("**Fungible Securities**") which are expressed to be consolidated and form a single Series with any Securities issued by the relevant Obligor prior to the Effective Date. For the avoidance of doubt, the Original Guarantee (and each guarantee of Securities by the Guarantor under the Programme preceding the Original Guarantee, as applicable) shall continue to apply to all Securities issued under the Programme before the Effective Date, as applicable.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

(1) **Guarantee**. Guarantor, subject to the terms hereof, guarantees to Beneficiaries, their respective successors and permitted assigns the timely and complete payment and performance, as and when 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 issued by such Obligor under the Programme on or after the date hereof (save for Fungible Securities), strictly in accordance with the Programme Documents, during the period from and after the Effective Date and until such time as this Guarantee is amended, supplanted, replaced or (if later) no further obligations remain outstanding under such Securities (such obligations and liabilities, the "**Obligations**"). If a relevant Obligor fails to meet any of its Obligations in full, Guarantor shall promptly upon written notice of such failure to Guarantor from the applicable Beneficiary or its agent, meet or cause to be met such Obligation to such Beneficiary strictly in accordance with all terms and provisions of such Obligation (including place of payment), as if such Obligation were met by such Obligor.

(2) **Guarantee of Payment and Performance, not Collection**. This Guarantee is a guarantee of payment and performance and not of collection only and shall be binding on Guarantor's successors and assigns. The Beneficiaries shall not be required to exhaust any right or remedy or to take any action or file any claim 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 enjoying the benefit of this Guarantee remains outstanding and no further such Securities may be issued under the Programme.

(4) **Nature of Guarantee**. Guarantor guarantees that the Obligations shall be timely performed and paid strictly in accordance with all applicable written terms and provisions thereof (including place of payment) irrespective of:

(a) any change in the amount, time, manner or place of payment of, or in any other term of, any Obligation, or any other amendment or waiver of or any consent to departure from any of the terms of any Programme Document or any Obligation;

(b) any release, surrender 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 security, collateral or other credit support, for all or any of the Programme Documents or Obligations;

(c) the status of the relevant Obligor as the debtor or subject of a bankruptcy or insolvency proceeding;

(d) the absence of any action to enforce any Obligation or any collateral therefor;

(e) the rendering of any judgment against the relevant Obligor or any action to enforce the same; and

(f) any admission by the relevant Obligor in writing of its inability to pay or meet its debts as they may mature or if proceedings are initiated against the relevant Obligor under any applicable insolvency or bankruptcy laws or the relevant Obligor convenes a meeting of its creditors or makes or proposes to make any arrangements or compositions with or any assignment for the benefit of its creditors,

provided, however, that (i) under no circumstances will Guarantor be liable at any time or place to any Beneficiary hereunder (A) for any amount of any payment or other obligation that the relevant Obligor is excused from making or meeting under the terms of the Programme Documents or the relevant Obligation, for so long as such Obligor shall be excused under such terms; (B) for any amount or performance in excess of the amount or performance actually due and owing by the relevant Obligor to such Beneficiary at such time and place, including but not limited to any set-off to which such Obligor would be entitled; or (C) if the relevant Obligor is prohibited, unable, or otherwise fails to make any payment, or any portion thereof, or to perform any other obligation because or arising out of an act of war, insurrection or civil strife; an action by the government or any governmental authority or instrumentality thereof (whether de jure or de facto); legal constraint; terrorism; riots; or catastrophe; and (ii) in addition to and not in limitation of (i) above, any defences or counterclaims of the relevant Obligor (other than any resulting solely from, or available to Guarantor solely on account of, the insolvency of the relevant Obligor or the status of the relevant Obligor as the debtor or subject of a bankruptcy or insolvency proceeding) shall also be available to Guarantor to the same extent as such defences or counterclaims are available to such Obligor and may be asserted as defences or counterclaims by Guarantor to its obligations with respect to such Obligations hereunder, in each case whether or not asserted by such Obligor.

(5) **Formalities**. 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 shall 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 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 (1) shall have the right, upon receipt of a demand under this Guarantee by a Beneficiary, to assume the rights and payment obligations of the relevant Obligor to such Beneficiary, together with any right of the relevant Obligor to cure any event of default by or relating to such Obligor, notwithstanding any notice of default/termination previously sent by such Beneficiary to such Obligor, and thereby rescind any notice of default/termination given by such Beneficiary, and (2) shall be subrogated to all rights of the Beneficiaries against the relevant Obligor in respect of any amounts paid by 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 all amounts due and payable by the relevant Obligor to the Beneficiaries in respect of the Obligations subject to the aforesaid demand for payment, up to the time of such subrogation, have been paid in full.

(8) **Representations/Warranties**. Guarantor represents and warrants to each Beneficiary that, as of the date hereof:

(a) it is duly incorporated, validly existing and in good standing under the laws of the State of Delaware, United States of America;

(b) it has the full power and authority to execute and deliver this Guarantee and to perform its obligations hereunder; it has taken all necessary action to authorise such execution, delivery and performance; and this Guarantee has been duly executed and delivered by Guarantor and the execution, delivery and performance of this Guarantee by Guarantor does not contravene or constitute a default under any statute, regulation or rule of any applicable governmental authority or under any provision of Guarantor's certificate of incorporation or by-laws or any contractual restriction binding on Guarantor;

(c) this Guarantee constitutes a legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, receivership or other similar laws affecting the rights of creditors generally or by general principles of equity; and

(d) no authorisation, approval or consent of, and no filing or registration with, any governmental authority is necessary for the execution, delivery or performance by Guarantor of this Guarantee or for the validity or enforceability hereof.

(9) **Notices**.

(a) Any notice or communication required or permitted to be made under this Guarantee by a Beneficiary shall be made in writing and sent to Guarantor at the following address:

JPMorgan Chase & Co.
270 Park Avenue
New York, New York 10017-2070
United States of America
Attn: Treasury Department, Regulatory and Guarantee Group – Peter W Smith
Phone: +1 212 270 5815
Facsimile: +1 212 270 0819

(b) Any written notice or communication to a Beneficiary shall be given in accordance with General Condition 25 (*Notices*), as set out in Schedule 14 of the Agency Agreement.

(10) **Captions**. The headings and captions in this Guarantee are for convenience only and shall not affect the interpretation or construction of this Guarantee.

(11) **Not Insured**. This Guarantee is not insured by the Federal Deposit Insurance Corporation of the United States of America.

(12) **Integration**. This Guarantee alone sets forth the entire understanding of Guarantor and the Beneficiary relating to the guarantee of the Obligations and constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, express or implied, relating to the subject matter hereof.

(13) **Waiver of Jury Trial**. GUARANTOR AND, BY ITS ACCEPTANCE HEREOF, EACH BENEFICIARY, EACH HEREBY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT EACH MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS GUARANTEE OR THE NEGOTIATION, ADMINISTRATION OR ENFORCEMENT THEREOF.

(14) **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, OTHER THAN GENERAL OBLIGATIONS LAW SECTION 5-1401. GUARANTOR AGREES TO THE EXCLUSIVE JURISDICTION OF COURTS LOCATED IN THE STATE OF NEW YORK, UNITED STATES OF AMERICA, OVER ANY DISPUTES ARISING UNDER OR RELATING TO THIS GUARANTEE. Each Beneficiary hereof, by accepting this Guarantee, agrees that it will not bring any claim or cause of action against Guarantor under or relating to this Guarantee, of any kind or description (whether in law, equity, contract or tort), or for recognition or enforcement of any judgment under this Guarantee, in any forum other than the Supreme Court, New York, New York County, Borough of Manhattan, or, to the extent permitted by law, in Federal court located in the Borough of Manhattan, City of New York, State of New York.

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")

11 May 2012

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 (the "**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 issued by the Obligor, the "**Beneficiaries**"), pursuant to (a) an amended and restated agency agreement dated 11 May 2012 among the 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 ("**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), Branch Operation in Finland, BNP Paribas Securities Services and Credit Suisse AG (the "**Agency Agreement**"), with the benefit of (b) (to the extent such Securities are governed by English law) a Deed of Covenant dated 11 May 2012 executed by the 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 11 May 2012 between amongst others, the 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 11 May 2012 (the "**Effective Date**"), the Guarantee referenced in the Base Prospectus for the Programme dated 13 May 2011 (the "**Original Guarantee**") save as provided in the immediately following sentence. The Original Guarantee shall apply in respect of any Securities issued on or after the Effective Date ("**Fungible Securities**") which are expressed to be consolidated and form a single Series with any Securities issued prior to the Effective Date. For the avoidance of doubt, the Original Guarantee (and each guarantee of Securities by the Guarantor under the Programme preceding the Original Guarantee, as applicable) shall continue to apply to all Securities issued under the Programme before the Effective Date, as applicable.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

(1) **Guarantee**. Guarantor, subject to the terms hereof, guarantees to Beneficiaries, their respective successors and permitted assigns the timely and complete payment and performance, as and when 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 issued by the Obligor under the Programme on or after the date hereof (save for Fungible Securities), strictly in accordance with the Programme Documents, during the period from and after the Effective Date and until such time as this Guarantee is amended, supplanted, replaced or (if later) no further obligations remain outstanding under such Securities (such obligations and liabilities, the "**Obligations**"). If the Obligor fails to meet any of its Obligations in full, Guarantor shall promptly upon written notice of such failure to

Guarantor from the applicable Beneficiary or its agent, meet or cause to be met such Obligation to such Beneficiary strictly in accordance with all terms and provisions of such Obligation (including place of payment), as if such Obligation were met by the Obligor.

(2) **Guarantee of Payment and Performance, not Collection**. This Guarantee is a guarantee of payment and performance and not of collection only and shall be binding on Guarantor's successors and assigns. The Beneficiaries shall not be required to exhaust any right or remedy or to take any action or file any claim 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 enjoying the benefit of this Guarantee remains outstanding and no further such Securities may be issued under the Programme.

(4) **Nature of Guarantee**. Guarantor guarantees that the Obligations shall be timely performed and paid strictly in accordance with all applicable written terms and provisions thereof (including place of payment) irrespective of:

(a) any change in the amount, time, manner or place of payment of, or in any other term of, any Obligations, or any other amendment or waiver of or any consent to departure from any of the terms of any Programme Document or any Obligation;

(b) any release, surrender 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 security, collateral or other credit support, for all or any of the Programme Documents or Obligations;

(c) the status of the Obligor as the debtor or subject of a bankruptcy or insolvency proceeding;

(d) the absence of any action to enforce any Obligation or any collateral therefor;

(e) the rendering of any judgment against the Obligor or any action to enforce the same; and

(f) any admission by the Obligor in writing of its inability to pay or meet its debts as they may mature or if proceedings are initiated against the Obligor under any applicable insolvency or bankruptcy laws or the Obligor convenes a meeting of its creditors or makes or proposes to make any arrangements or compositions with or any assignment for the benefit of its creditors,

provided, however, that (i) under no circumstances will Guarantor be liable at any time or place to any Beneficiary hereunder (A) for any amount of any payment or other obligation that the Obligor is excused from making or meeting under the terms of the Programme Documents or the relevant Obligation, for so long as the Obligor shall be excused under such terms; (B) for any amount or performance in excess of the amount or performance actually due and owing by the Obligor to such Beneficiary at such time and place, including but not limited to any set-off to which the Obligor would be entitled; or (C) if the Obligor is prohibited, unable, or otherwise fails to make any payment, or any portion thereof or to perform any other obligation, because or arising out of an act of war, insurrection or civil strife; an action by the government or any governmental authority or instrumentality thereof (whether de jure or de facto); legal constraint; terrorism; riots; or catastrophe; and (ii) in addition to and not in limitation of (i) above, any defences or counterclaims of the Obligor (other than any resulting solely from, or available to Guarantor solely on account of, the insolvency of the Obligor or the status of the Obligor as the debtor or subject of a bankruptcy or insolvency proceeding) shall also be available to Guarantor to the same extent as such defences or counterclaims are available to the Obligor and may be asserted as defences or counterclaims by Guarantor to its obligations with respect to such Obligations hereunder, in each case whether or not asserted by the Obligor.

(5) **Formalities**. Guarantor hereby waives diligence, presentment, demand of payment (except as provided in paragraph (1)), any right to require a proceeding against the Obligor, protest or notice with respect to the Obligations or the amounts payable by the Obligor under the Programme Documents and all demands whatsoever, and covenants that this Guarantee shall not be discharged except by complete payment and performance of the Obligations. The grant of time or other indulgence to the Obligor shall in no manner release 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 Obligor or otherwise, all as though the payment and performance had not been made.

(7) **Subrogation**. Guarantor (1) shall have the right, upon receipt of a demand under this Guarantee by a Beneficiary, to assume the rights and payment obligations of the Obligor to such Beneficiary, together with any right of the Obligor to cure any event of default by or relating to the Obligor, notwithstanding any notice of default/termination previously sent by such Beneficiary to the Obligor, and thereby rescind any notice of default/termination given by such Beneficiary, and (2) shall be subrogated to all rights of the Beneficiaries against the Obligor in respect of any amounts paid by 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 all amounts due and payable by the Obligor to the Beneficiaries in respect of the Obligations subject to the aforesaid demand for payment, up to the time of such subrogation, 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 formed and validly existing 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 hereunder; it has taken all necessary action to authorise such execution, delivery and performance; and this Guarantee has been duly executed and delivered by Guarantor and the execution, delivery and performance of this Guarantee by Guarantor does not contravene or constitute a default under any statute, regulation or rule of any applicable governmental authority or under any provision of Guarantor's certificate of incorporation or by-laws or any contractual restriction binding on Guarantor;

(c) this Guarantee constitutes a legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, receivership or other similar laws affecting the rights of creditors generally or by general principles of equity; and

(d) no authorisation, approval or consent of, and no filing or registration with, any governmental authority is necessary for the execution, delivery or performance by Guarantor of this Guarantee or for the validity or enforceability hereof.

(9) **Notices**.

(a) Any notice or communication required or permitted to be made under this Guarantee by a Beneficiary shall be made in writing and sent to Guarantor at the following address:

JPMorgan Chase Bank, N.A.
1111 Polaris Parkway
Columbus, Ohio 43240
United States of America

Attn: Treasury Department, Regulatory and Guarantee Group – Peter W Smith

Phone: +1 212 270 5815

Facsimile: +1 212 270 0819

(b) Any written notice or communication to a Beneficiary shall be given in accordance with General Condition 25 (*Notices*), as set out in Schedule 14 of the Agency Agreement.

(10) **Captions**. The headings and captions in this Guarantee are for convenience only and shall not affect the interpretation or construction of this Guarantee.

(11) **Not Insured**. This Guarantee is not insured by the Federal Deposit Insurance Corporation of the United States of America.

(12) **Integration**. This Guarantee alone sets forth the entire understanding of Guarantor and the Beneficiary relating to the guarantee of the Obligations and constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, express or implied, relating to the subject matter hereof.

(13) **Waiver of Jury Trial**. GUARANTOR AND, BY ITS ACCEPTANCE HEREOF, EACH BENEFICIARY, EACH HEREBY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT EACH MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS GUARANTEE OR THE NEGOTIATION, ADMINISTRATION OR ENFORCEMENT THEREOF.

(14) **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, OTHER THAN GENERAL OBLIGATIONS LAW SECTION 5-1401. GUARANTOR AGREES TO THE EXCLUSIVE JURISDICTION OF COURTS LOCATED IN THE STATE OF NEW YORK, UNITED STATES OF AMERICA, OVER ANY DISPUTES ARISING UNDER OR RELATING TO THIS GUARANTEE. Each Beneficiary hereof, by accepting this Guarantee, agrees that it will not bring any claim or cause of action against Guarantor under or relating to this Guarantee, of any kind or description (whether in law, equity, contract or tort), or for recognition or enforcement of any judgment under this Guarantee, in any forum other than the Supreme Court, New York, New York County, Borough of Manhattan, or, to the extent permitted by law, in Federal court located in the Borough of Manhattan, City of New York, State of New York.

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 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 operations worldwide. JPMorgan Chase had $2.3 trillion in assets and $189.7 billion in total stockholders' equity as of 31 March 2012. JPMorgan Chase is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, asset management and private equity. 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 LLC, its U.S. investment banking firm. The bank and non-bank subsidiaries of JPMorgan Chase operate throughout the United States as well as through overseas branches and subsidiaries, representative offices and subsidiary foreign banks. One of JPMorgan Chase's principal operating subsidiaries in the United Kingdom is J.P. Morgan Securities Ltd., a subsidiary of JPMorgan Chase Bank, N.A.

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 Corporate/Private Equity. 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, Card Services & Auto 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.

Retail Financial Services

Retail Financial Services serves consumers and businesses through personal service at bank branches and through automated teller machines ("**ATMs**"), online banking and telephone banking. Retail Financial Services is organised into Consumer & Business Banking and Mortgage Banking (including Mortgage Production and Servicing, and Real Estate Portfolios). Consumer & Business Banking includes branch banking and business banking activities. Mortgage Production and Servicing includes mortgage origination and servicing activities. Real Estate Portfolios comprises residential mortgages and home equity loans, including the purchased credit-impaired loan portfolio acquired in the Washington Mutual transaction. Customers can use more than 5,500 bank branches and more than 17,200 ATMs, as well as online and mobile banking around the clock. More than 33,500 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. As one of the largest mortgage originators in the United States, Chase helps customers buy or refinance homes

resulting in approximately $150 billion of mortgage originations annually. Chase also services more than 8 million mortgages and home equity loans.

Card Services & Auto

Card Services & Auto is one of the largest credit card issuers in the United States, with over $132 billion in credit card loans as of 31 December 2011. Customers had over 65 million open credit card accounts (excluding the commercial card portfolio), and used Chase credit cards to meet over $343 billion of their spending needs in 2011. Through its Merchant Services business, Chase Paymentech Solutions, Card Services & Auto is a global leader in payment processing and merchant acquiring. Consumers also can obtain loans through more than 17,200 auto dealerships and 2,000 schools and universities throughout the United States.

Commercial Banking

Commercial Banking delivers extensive industry knowledge, local expertise and dedicated service to more than 24,000 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 nearly 35,000 real estate investors/owners. 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 Investment Bank, Commercial Banking, Retail Financial Services and Asset Management businesses to serve clients firm-wide. 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 manages depositary receipt programs globally.

Asset Management

Asset Management, with assets under supervision of $1.9 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 / Business Outlook

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. See "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in this Base Prospectus.

This information has been extracted from the JPMorgan Chase & Co. March 2012 Form 10-Q, which is incorporated by reference in this Base Prospectus, and speaks only as of the date of such report.

JPMorgan Chase's outlook for the remainder of 2012 should be viewed against the backdrop of the global and U.S. economies, financial markets activity, the geopolitical environment, the competitive environment, client activity levels, and regulatory and legislative developments in the United States and other countries where JPMorgan Chase does business. Each of these linked factors will affect the performance of JPMorgan Chase and its lines of business.

In the Consumer & Business Banking business within Retail Financial Services, JPMorgan Chase estimates that, given the current low interest rate environment, spread compression will likely negatively affect 2012 net income by approximately $400 million for the full year. In addition, the effect of the Durbin Amendment will likely reduce annualised net income by approximately $600 million.

In the Mortgage Production and Servicing business within Retail Financial Services, revenue in 2012 could be negatively affected by continued elevated levels of repurchases of mortgages previously sold, predominantly to U.S. government-sponsored entities ("**GSEs**"). Management estimates that realised mortgage repurchase losses could be approximately $350 million per quarter in 2012. Also for Mortgage Production and Servicing, management expects the business to continue to incur elevated default and foreclosure-related costs including additional costs associated with JPMorgan Chase's mortgage servicing processes, particularly its loan modification and foreclosure procedures. In addition, management believes that the high margins experienced in the first quarter of 2012 will not be sustainable over time.

For Real Estate Portfolios within Retail Financial Services, management believes that quarterly net charge-offs could be less than $900 million. Given management's current estimate of portfolio run off levels, the existing residential real estate portfolio is expected to decline by approximately 10 per cent. to 15 per cent. in 2012 from year-end 2011 levels. This reduction in the residential real estate portfolio is expected to reduce net interest income by approximately $500 million in 2012. However, over time, the reduction in net interest income is expected to be more than off set by an improvement in credit costs and lower expenses. In addition, as the portfolio continues to run off, management anticipates that approximately $1 billion of capital may become available for redeployment each year, subject to the capital requirements associated with the remaining portfolio.

In Card Services & Auto, the net charge-off rate for the credit card portfolio could decrease in the second quarter of 2012 to approximately 4.25 per cent.

The currently anticipated results of Retail Financial Services and Card Services & Auto described above could be adversely affected by further declines in U.S. housing prices or increases in the unemployment rate. Given ongoing weak economic conditions, combined with a high level of uncertainty concerning the residential real estate markets, management continues to closely monitor the portfolios in these businesses.

In the Investment Bank, Treasury & Securities Services, Commercial Banking and Asset Management, revenue will be affected by market levels, volumes and volatility, which will influence client flows and assets under management, supervision and custody. For the Investment Bank, the second quarter of 2012 has started weaker than the seasonally strong first quarter. Commercial Banking and Treasury & Securities Services will continue to experience low net interest margins as long as market interest rates remain low. In addition, the wholesale credit environment will influence levels of charge-offs, repayments and the provision for credit losses for the Investment Bank, Commercial Banking, Treasury & Securities Services and Asset Management.

In Private Equity, within the Corporate/Private Equity segment, earnings 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.

In Corporate, within the Corporate/Private Equity segment, net income (excluding Private Equity results and litigation expense) for the second quarter is currently estimated to be a loss of approximately $800 million. (Prior guidance for Corporate quarterly net income (excluding Private Equity results, litigation expense and nonrecurring significant items) was approximately $200 million.) Actual second quarter results could be substantially different from the current estimate and will depend on market levels and portfolio actions related to investments held by the Chief Investment Office ("**CIO**"), as well as other activities in Corporate during the remainder of the quarter.

Since 31 March 2012, CIO has had significant mark-to-market losses in its synthetic credit portfolio, and this portfolio has proven to be riskier, more volatile and less effective as an economic hedge than JPMorgan Chase previously believed. The losses in CIO's synthetic credit portfolio have been partially offset by realised gains from sales, predominantly of credit-related positions, in CIO's available-for-sale ("**AFS**") securities portfolio. As of 31 March 2012, the value of CIO's total AFS securities

portfolio exceeded its cost by approximately $8 billion. Since then, this portfolio (inclusive of the realised gains in the second quarter to date) has appreciated in value.

JPMorgan Chase is currently repositioning CIO's synthetic credit portfolio, which it is doing in conjunction with its assessment of JPMorgan Chase's overall credit exposure. As this repositioning is being effected in a manner designed to maximise economic value, CIO may hold certain of its current synthetic credit positions for the longer term. Accordingly, net income in Corporate likely will be more volatile in future periods than it has been in the past.

JPMorgan Chase faces a variety of exposures resulting from repurchase demands and litigation arising out of its various roles as issuer and/or underwriter of mortgage-backed securities ("**MBS**") offerings in private-label securitisations. It is possible that these matters will take a number of years to resolve and their ultimate resolution is currently uncertain. Reserves for such matters may need to be increased in the future; however, with the additional litigation reserves taken in the first quarter of 2012, absent any materially adverse developments that could change management's current views, JPMorgan Chase does not currently anticipate further material additions to its litigation reserves for mortgage-backed securities-related matters over the remainder of the year.

Regulatory developments

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. JPMorgan Chase is currently experiencing a period of unprecedented change in regulation and supervision, and such changes could have a significant impact on how JPMorgan Chase conducts business. JPMorgan Chase continues to work diligently in assessing and understanding the implications of the regulatory changes it is facing, and is devoting substantial resources to implementing all the new rules and regulations while meeting the needs and expectations of its clients. JPMorgan Chase expects heightened scrutiny by its regulators of its compliance with new and existing regulations, and expects that regulators will more frequently bring formal enforcement actions for violations of law rather than resolving those violations through informal supervisory processes. While JPMorgan Chase has made a preliminary assessment of the likely impact of these anticipated changes, JPMorgan Chase cannot, given the current status of the regulatory and supervisory developments, quantify the possible effects on its business and operations of all of the significant changes that are currently underway.

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, and Chief Executive Officer, Mortgage Banking
Douglas L. Braunstein	Chief Financial Officer
Michael J. Cavanagh	Chief Executive Officer, Treasury & Securities Services
Stephen M. Cutler	General Counsel
John L. Donnelly	Head, Human Resources
Ina R. Drew	Chief Investment Officer
Mary Callahan Erdoes	Chief Executive Officer, Asset Management
John J. Hogan	Chief Risk Officer
Samuel Todd Maclin	Chief Executive Officer, Consumer & Business Banking
Douglas B. Petno	Chief Executive Officer, Commercial Banking
Gordon A. Smith	Chief Executive Officer, Card Services & Auto
James E. Staley	Chief Executive Officer, Investment Bank
Barry L. Zubrow	Head, Corporate and Regulatory Affairs

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**
James A. Bell	Retired Executive Vice President of The Boeing Company
Crandall C. Bowles	Chairman of Springs Industries, Inc.
Stephen B. Burke	Chief Executive Officer of NBCUniversal, LLC and Executive Vice President 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 of Johnson & Johnson

---

* Mr. Gray and Mr. Novak will not seek re-election when their terms as Directors expire on 14 May 2012. Timothy P. Flynn, retired Chairman of KPMG International, has been nominated for election as a Director at the annual meeting of shareholders of JPMorgan Chase & Co. to be held on 15 May 2012.

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.

For information concerning other positions held by the Directors of JPMorgan Chase & Co. and concerning JPMorgan Chase's policies and procedures for reviewing and approving transactions with its directors and executive officers, see "Information about the nominees" on pages 1 to 7 and "Additional information about our directors and executive officers" on pages 33 to 34 of the JPMorgan Chase & Co. 2012 Proxy Statement, which is incorporated by reference into this Base Prospectus.

Corporate governance

General

Governance is a continuing focus at JPMorgan Chase, starting with the Board of Directors and extending throughout JPMorgan Chase. Several of JPMorgan Chase & Co.'s key governance policies and practices are summarised below. Additional information concerning the corporate governance of JPMorgan Chase is contained in the Proxy Statement on Schedule 14A of JPMorgan & Co. dated 4 April 2012 (the "**JPMorgan Chase & Co. 2012 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 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.

Board leadership structure

The Board of Directors is responsible for the oversight of management on behalf of the JPMorgan Chase & Co.'s shareholders. The Board accomplishes this function acting directly and through its committees. 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. Specific elements of the Board leadership structure include:

- Chairman of the Board – The Board of Directors has no established policy on whether or not to have a non-executive chairman and believes that it should make that judgment based on circumstances and experience. The Board has determined that the most effective leadership model for JPMorgan Chase & Co. currently is that Mr. Dimon serves as both Chairman and Chief Executive Officer, and that the independent directors annually appoint an independent director to serve as the Presiding Director. The Board believes it is functioning effectively under its current structure, and that the current structure provides appropriate oversight protections. The Board does not believe that introducing a separate Chairman at this time and with this Chief Executive Officer would provide appreciably better direction for and performance of JPMorgan Chase & Co., and instead could cause uncertainty, confusion and inefficiency in board and management function and relations.

- Independent oversight – Independent directors comprise more than 90 per cent. of the Board and 100 per cent. of the Audit Committee, the Compensation & Management Development Committee (the "**Compensation Committee**"), the Corporate Governance and Nominating Committee (the "**Governance Committee**"), the Public Responsibility Committee and the Risk Policy Committee. At each regularly scheduled Board meeting, the independent directors generally meet in executive session with no members of management present and may discuss any matter they deem appropriate, including evaluation of the Chief Executive Officer and other senior officers and determination of their compensation.

- Presiding Director – JPMorgan Chase & Co.'s Presiding Director functions as a Lead Director, but the Board prefers the term Presiding Director to emphasise that all directors share equally in their responsibilities as members of the Board. The Presiding Director presides at executive sessions of independent directors (generally held as part of each regularly scheduled Board meeting) and at all Board meetings at which the Chairman is not present, and has authority to call meetings of independent directors. The Presiding Director approves Board meeting agendas and schedules for each Board meeting, may add agenda items in his or her discretion, approves Board meeting materials for distribution to and consideration by the Board, facilitates communication between the Chairman and Chief Executive Officer and the independent directors, as appropriate, is available for consultation and communication with major shareholders where appropriate, upon reasonable request, and performs such other functions as the Board directs. The Presiding Director is appointed annually by and from among the independent directors.

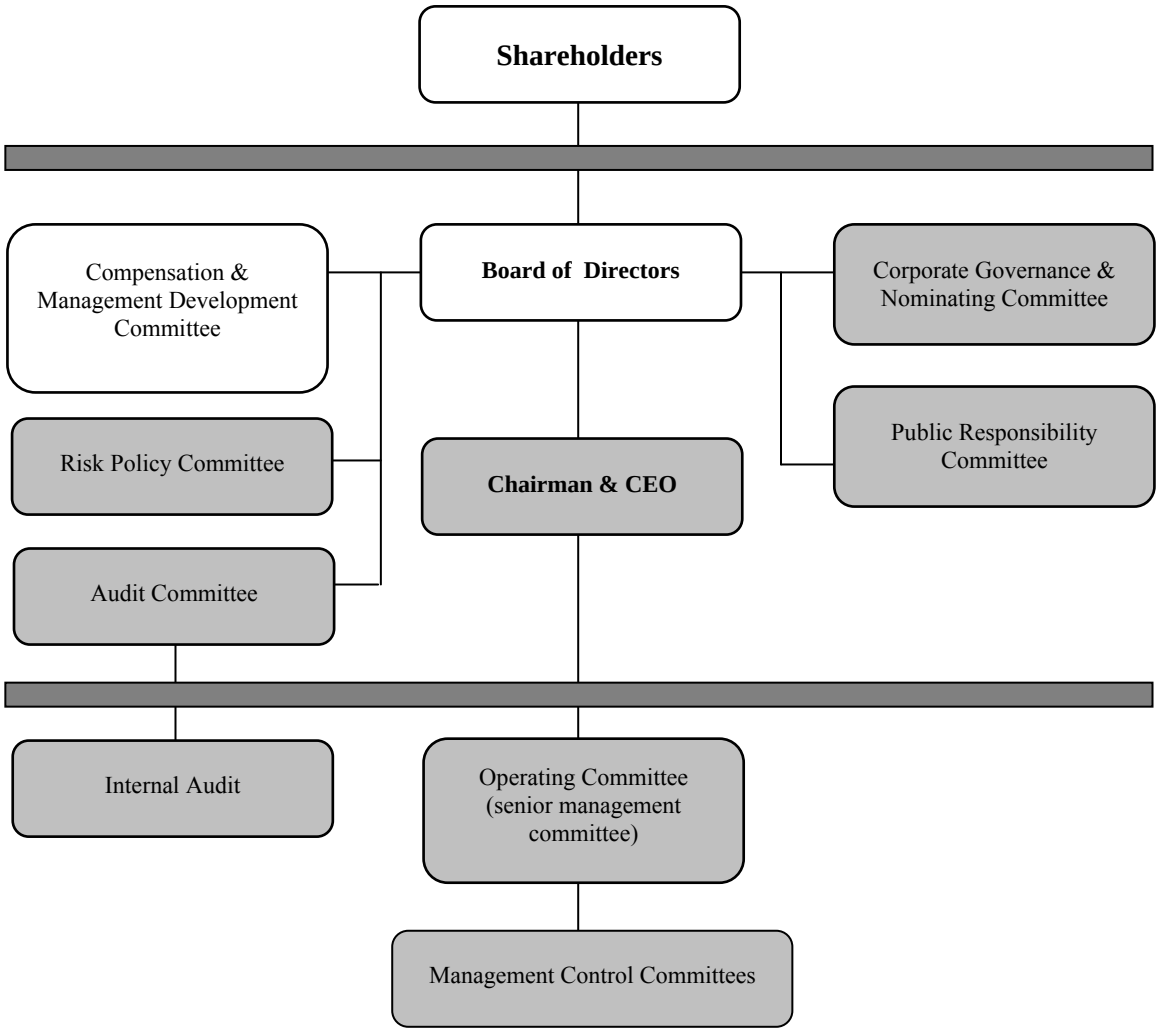
- Committee Chairs – All are independent and are appointed annually by the Board, approve agendas and material for respective committee meetings, and act as liaison between committee members and the Board and between committee members and senior management.

Committees of the Board

The Board has five principal committees. Each member of the Audit Committee, the Compensation Committee and the Governance 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.

As stated in the Board's Corporate Governance Principles, Board members have complete access to management, and the Board and Board committees can, if they wish to do so, seek legal or other expert advice from sources independent of management and shall be provided with the resources for such purposes.

Corporate Governance Structure



- 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. The Board of Directors has determined that Mr. Bell, Ms. Bowles and Mr. Jackson are audit committee financial experts as defined by the SEC.

- Compensation & Management Development Committee – reviews and approves JPMorgan Chase & Co.'s compensation and benefit programmes; ensures the competitiveness of these programmes; and advises the Board on the development of and succession for key executives. The Compensation 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 of Directors, including reviewing the qualifications of nominees for election to the Board and making recommendations to the Board regarding director compensation. The Governance Committee annually leads the Board in its review and self-evaluation of the performance of the Board as a whole with a view to increasing the effectiveness of the Board.

- 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 & Co. relates to the community at large, and provides guidance to management and the Board as appropriate.

- Risk Policy Committee – provides oversight of the Chief Executive Officer's and senior management's responsibilities to assess and manage JPMorgan Chase & Co.'s credit risk, market risk, interest rate risk, investment risk, liquidity risk, and reputational risk, and is also responsible for review of JPMorgan Chase & Co.'s fiduciary and asset management activities.

- Board and committee interaction – Committees meet regularly in conjunction with scheduled Board meetings, and hold additional meetings as needed. The Audit Committee and the Risk Policy Committee hold joint meetings on matters of mutual interest. The Compensation Committee meets at least annually with the Chief Risk Officer and one or more members of the Risk Policy Committee to review elements of JPMorgan Chase & Co.'s organisational structure, management practices and compensation programs that would discourage unnecessary or excessive risk-taking and to assess its incentive arrangements. The committees report their activities and discuss their recommendations with the full Board.

The following table summarises the membership of the Board and each of its principal committees, and the number of times each met during 2011:

Director	***Audit***	***Compensation & Management Development***	***Corporate Governance & Nominating***	***Public Responsibility***	***Risk Policy***
James A. Bell	Member				
Crandall C Bowles[1]	Member			Chair	
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[1]	Member			Member	
Laban P. Jackson Jr	Chair				
David C. Novak		Member	Member		
Lee R. Raymond[2]		Chair	Member		
William C. Weldon [3]		Member	Chair		
Number of meetings in 2011	15	6	4	4	7

1 Ms. Bowles became Chair of the Public Responsibility Committee in October 2011, succeeding Mr. Gray.
2 Presiding director
3 Mr. Weldon became Chair of the Corporate Governance & Nominating Committee effective 27 March 2012, succeeding Mr. Novak.

During 2011, the Board met 11 times; each director attended 75 per cent. or more of the total meetings of the Board and the committees on which he or she served.

Director independence

Pursuant to the corporate governance listing standards of the NYSE, a majority of the Board of Directors (and each member of the Audit, Compensation and Governance Committees) must be independent. The Board of Directors 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.

The Board of Directors reviewed the relationships between JPMorgan Chase & Co. and each nominee for election as a director at the Annual Meeting of Shareholders to be held on 15 May 2012, and determined that in accordance with the NYSE corporate governance listing standards and JPMorgan Chase & Co.'s independence standards, each non-management nominee (James A. Bell, Crandall C. Bowles, Stephen B. Burke, David M. Cote, James S. Crown, Timothy P. Flynn, Ellen V. Futter, Laban P. Jackson, Jr., Lee R. Raymond and William C. Weldon) has only immaterial relationships with JPMorgan Chase 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 nominees 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.

Other governance practices

Independent director meetings

Independent directors generally meet in executive session as part of each regularly scheduled Board meeting, with discussion led by the Presiding Director.

Majority voting for directors

JPMorgan Chase & Co.'s By-laws 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'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. 2011 Form 10-K which is incorporated by reference into this Base Prospectus. As stated there, risk is an inherent part of JPMorgan Chase's business activities and JPMorgan Chase's overall risk appetite is established in the context of its capital, earnings power 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 taken in its business activities.

Risk appetite – JPMorgan Chase & Co. employs a formalised risk appetite framework to clearly link risk appetite and return targets, controls and capital management.

- The Chief Executive Officer is responsible for setting the overall risk appetite for JPMorgan Chase & Co., and the line of business Chief Executive Officers are responsible for setting the risk appetite for their respective lines of business subject to approval by the Chief Executive Officer and the Chief Risk Officer.

- The Risk Policy Committee approves the risk appetite policy on behalf of the entire Board of Directors.

Risk management framework – JPMorgan Chase & Co.'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. Overlaying the line of business risk management are four corporate functions with risk management-related responsibilities.

- Risk Management operates independently to provide oversight of firm-wide 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 of Directors, primarily through the Board's Risk Policy Committee.

- The Chief Investment Office and Corporate Treasury are responsible for managing JPMorgan Chase & Co.'s liquidity, interest rate and foreign exchange risk, and other structural risks.
- Legal and Compliance has oversight for legal risk.
- Each line of business has a risk committee which includes in its mandate oversight of the reputational risks in its business.

Board oversight – The Board of Directors 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 that is relied upon to provide reasonable assurance of compliance with JPMorgan Chase & Co.'s operational risk management processes.
- The Compensation Committee is responsible for reviewing JPMorgan Chase & Co.'s compensation practices and the relationship among risk, risk management and compensation in light of JPMorgan Chase & Co.'s objectives.
- Each of the committees oversees reputation risk issues within its scope of responsibility.
- The Board of Directors also reviews selected risk topics directly as circumstances warrant.

Shareholder outreach

JPMorgan Chase & Co. recognises the importance of shareholder communications to help its investors understand JPMorgan Chase & Co.'s performance and strategies. JPMorgan Chase & Co. reaches out to shareholders in many different ways, including through quarterly earnings presentations, SEC filings, web communications, and investor meetings. In addition, JPMorgan Chase & Co.'s senior executives engage major institutional shareholders as part of a semi-annual outreach program to invite comments on governance matters, executive compensation, and shareholder proposals. JPMorgan Chase & Co. meets throughout the year with additional shareholders and organisations interested in its practices.

Special shareholder meetings

JPMorgan Chase & Co.'s By-laws permit shareholders holding at least 20 per cent. of the outstanding common shares (net of hedges) to call special meetings.

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 & Co.'s business. In addition, JPMorgan Chase & Co. has a Code of Ethics for Finance Professionals that applies to the Chief Executive Officer, President, Chief Financial Officer, and Chief Accounting Officer of JPMorgan Chase & Co., and to all other professionals of JPMorgan Chase & Co. worldwide 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 & Co.'s financial books and records and the preparation of its financial statements. JPMorgan Chase & Co. provides a Code Reporting Hotline operated by an independent third party, through which employees can report suspected violations of the Code of Conduct or other policies.

Political contributions and legislative lobbying

JPMorgan Chase & Co. believes that it is in the shareholders' best interests for it to be an effective participant in the legislative and regulatory process and that governance and transparency are important components of this process. JPMorgan Chase & Co. supports its interests in the political arena in a variety of ways. Its philosophy, policies and disclosures concerning political contributions and legislative lobbying, as well as the compliance procedures and oversight that are in place, reflect JPMorgan Chase & Co.'s commitment to civic participation and transparency. These are described in JPMorgan Chase & Co.'s Political Activities Statement.

JPMorgan Chase & Co. discloses all contributions made by its affiliated political action committees or PACs (funded entirely by voluntary contributions from JPMorgan Chase & Co.'s employees) to candidates for political office and to 527 organizations on its website. JPMorgan Chase & Co. may from time to time support state ballot initiatives and broad-based groups organized under Section 527 of the Internal Revenue Code. Direct contributions to 527 groups are not made to support the election of any candidate or for the purpose of express advocacy. JPMorgan Chase & Co. belongs to a number of trade associations representing the interests of both the financial services industry and the broader business community. JPMorgan Chase & Co. voluntarily report on its website such contributions to 527 groups and state ballot initiatives, and the principal trade associations to which it belongs.

Documents available

The Corporate Governance Principles, Code of Conduct, Code of Ethics for Finance Professionals, and the JPMorgan Chase & Co. Political Activities Statement, as well as JPMorgan Chase & Co.'s By-laws and charters of the 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. as at and for the year ended 31 December 2011 contained in the JPMorgan Chase & Co. 2011 Form 10-K and the unaudited consolidated financial statements of JPMorgan Chase & Co. as at and for the three months ended 31 March 2012 contained in the JPMorgan Chase & Co. March 2012 Form 10-Q, 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 & 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**	
	2012	**2011**	**2011**	**2010**
Total net revenue	$ 26,712	$ 25,221	$ 97,234	$ 102,694
Provision for credit losses	726	1,169	7,574	16,639
Total noninterest expense	18,345	15,995	62,911	61,196
Income before income tax expense	7,641	8,057	26,749	24,859
Net income	5,383	5,555	18,976	17,370

Selected balance sheet data

	31 March 2012 (unaudited)	**31 December 2011**	**31 December 2010**
(in millions)			
Trading assets	$ 456,000	$ 443,963	$ 489,892
Securities	381,742	364,793	316,336
Loans	720,967	723,720	692,927

Total assets	2,320,330	2,265,792	2,117,605
Deposits	1,128,512	1,127,806	930,369
Long-term debt	255,831	256,775	270,653
Total stockholders' equity	189,728	183,573	176,106

Auditors

The consolidated financial statements of JPMorgan Chase & Co. as at 31 December 2011 and 2010 and for each of the three years in the period ended 31 December 2011, and 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 2011, which appears in the JPMorgan Chase & Co. 2011 Form 10-K incorporated by reference into this Base Prospectus, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report dated 29 February 2012 appearing on page 177 of the JPMorgan Chase & Co. 2011 Form 10-K.

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, New York 10017, United States of America.

The unaudited consolidated financial statements of JPMorgan Chase & Co. as at 31 March 2012 and the three months ended 31 March 2012 are contained in the JPMorgan Chase & Co. March 2012 Form 10-Q which is incorporated by reference into this Base Prospectus. PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of the JPMorgan Chase & Co. unaudited financial information for the three-month periods ended 31 March 2011 and 2010 contained in the JPMorgan Chase & Co. March 2012 Form 10-Q incorporated by reference in this Base Prospectus. However, their separate report dated 10 May 2012, which is contained on page 179 of the JPMorgan Chase & Co. March 2012 Form 10-Q (which is incorporated by reference into this Base Prospectus), states that they did not audit and they do not express an opinion on the unaudited financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied.

Net Revenue

JPMorgan Chase & Co.'s total net revenue was $97.2 billion and $102.7 billion for the years ended 31 December 2011 and 2010, 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 2011:

Fiscal Year	Dividend per share
2011	$1.00
2010	$0.20
2009	$0.20
2008	$1.52
2007	$1.48

Capital Structure

Stockholder's Equity

The following table provides information concerning the stockholder's equity of JPMorgan Chase & Co. as at 31 March 2012, and has been extracted from the unaudited consolidated financial statements of JPMorgan Chase & Co. as at and for the three months ended 31 March 2012 contained in the JPMorgan Chase & Co. March 2012 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 2012 (unaudited)
Stockholders' equity	
Preferred stock ($1 par value; authorised 200,000,000 shares; issued 780,000 shares)	$ 7,800
Common stock ($1 par value; authorised 9,000,000,000 shares; issued 4,104,933,895 shares)	4,105
Capital surplus	94,070
Retained earnings	92,347
Accumulated other comprehensive income	2,645
Shares held in RSU Trust, at cost (852,906 shares)	(38)
Treasury stock, at cost (332,243,180 shares)	(11,201)
Total stockholders' equity	$189,728

Common Stock

As of 31 December 2011, JPMorgan Chase & Co. had 4.1 billion shares of its common stock outstanding with a par value of $1.00 each and held 332 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. as at and for the year ended 31 December 2011 contained in the JPMorgan Chase & Co. 2011 Form 10-K, which is incorporated by reference into this Base Prospectus, for information regarding warrants, bonds, borrowings and contingent liabilities outstanding as at 31 December 2011.

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 LLC, a Delaware corporation with its principal place of business in New York. One of JPMorgan Chase's principal operating subsidiaries in the United Kingdom is J.P. Morgan Securities Ltd., a subsidiary of JPMorgan Chase Bank, N.A. 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 to the JPMorgan Chase & Co. 2011 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 2011, JPMorgan Chase owned or leased approximately 68.9 million total square feet of space, including commercial office space, retail space and administrative and operational facilities, in the United States; approximately 5.8 million total square feet of space, including offices and an operations centre, in Europe, Middle East and Africa; and approximately 6.0 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 2012 Form 10-Q.

As of 31 March 2012, JPMorgan Chase & Co. and its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private, civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organisations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of JPMorgan Chase's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories.

JPMorgan Chase believes the estimate of the aggregate range of reasonably possible losses, in excess of reserves established, for its legal proceedings is from $0 to approximately $4.2 billion at 31 March 2012. This estimated aggregate range of reasonably possible losses is based upon currently available information for those proceedings in which JPMorgan Chase is involved, taking into account JPMorgan Chase's best estimate of such losses for those cases for which such estimate can be made. For certain cases, JPMorgan Chase does not believe that an estimate can currently be made. JPMorgan Chase's estimate involves significant judgment, given the varying stages of the proceedings (including the fact that many are currently in preliminary stages), the existence in many such proceedings of multiple defendants (including JPMorgan Chase) whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings (including issues regarding class certification and the scope of many of the claims) and the attendant uncertainty of the various potential outcomes of such proceedings. Accordingly, JPMorgan Chase's estimate will change from time to time, and actual losses may be more than the current estimate.

Set forth below are descriptions of JPMorgan Chase's material legal proceedings.

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 ("**ARS**"). 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 ARS purchased from J.P. Morgan Securities LLC, 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 Administrators 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 has 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 45 of these consent agreements have been finalised to date.

JPMorgan Chase also faces a number of civil actions before courts and arbitration panels relating to its sales of ARS. The actions generally allege that JPMorgan Chase and other firms manipulated the market for ARS by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. JPMorgan Chase's motion to dismiss a putative class action that had been filed in the United States District Court for the Southern District of New York on behalf of purchasers of ARS was granted in March 2012.

Additionally, JPMorgan Chase was named in two putative antitrust class actions. The actions allege that JPMorgan Chase, along with numerous other financial institution defendants, colluded to maintain and stabilise the ARS market and then to withdraw their support for the ARS market. In January 2010, the District Court dismissed both actions. An appeal is pending in the United States Court of Appeals for the Second Circuit.

Bear Stearns Hedge Fund Matters. The Bear Stearns Companies LLC (formerly The Bear Stearns Companies Inc.) ("**Bear Stearns**"), certain current or former subsidiaries of Bear Stearns, including

Bear Stearns Asset Management, Inc. ("**BSAM**") and Bear, Stearns & Co. Inc., and certain individuals formerly employed by Bear Stearns are named defendants (collectively the "**Bear Stearns defendants**") in multiple civil actions and arbitrations relating to alleged losses 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 currently three civil actions pending in the United States District Court for the Southern District of New York relating to the Funds. One of these actions involves a derivative lawsuit brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the Enhanced Leverage Fund, alleging that the Bear Stearns defendants mismanaged the Funds. This action seeks, among other things, unspecified compensatory damages based on alleged investor losses. The parties have reached an agreement to settle this derivative action, pursuant to which BSAM would pay a maximum of approximately $18 million. In April 2012, the Court granted final approval of this settlement. (A separate derivative action, also alleging that the Bear Stearns defendants mismanaged the Funds, was brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the High Grade Fund, and was dismissed following a Court-approved settlement with similar terms, pursuant to which BSAM paid approximately $19 million). The second pending 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, alleges net losses of approximately $700 million and seeks compensatory and punitive damages. The parties presently are engaged in discovery.

The third action was brought by Bank of America and Bank of America Securities LLC (together "**BofA**") alleging breach of contract and fraud in connection with a $4 billion securitisation in May 2007 known as a "CDO-squared," for which BSAM served as collateral manager. This securitisation was composed of certain collateralised debt obligation holdings that were purchased by BofA from the Funds. BofA currently seeks damages up to approximately $535 million. Discovery has concluded. BofA recently filed a motion for leave to amend its complaint to reinstate and amend a previously dismissed claim for breach of fiduciary duty.

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 million and 120 million common shares outstanding, and the price per share of those securities declined from a high of $172.61 to a low of $30 at the end of the period. The actions, originally commenced in several 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 addition, several individual shareholders of Bear Stearns have also commenced or threatened to commence their own arbitration proceedings and lawsuits asserting claims similar to those in the putative class actions. Certain of these matters have been dismissed or settled.

Separately, an agreement in principle has been reached to resolve a class action brought under the Employee Retirement Income Security Act ("**ERISA**") against Bear Stearns and certain of its former officers and/or directors on behalf of participants in the Bear Stearns Employee Stock Ownership Plan for alleged breaches of fiduciary duties in connection with the management of that Plan. Under the settlement, which remains subject to final documentation and court approval, the class will receive $10 million.

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 a shareholder derivative and class action suit which is pending in the United States District Court for the Southern District of New York. Plaintiffs assert claims for breach of fiduciary duty, violations of 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. The District Court dismissed the action, and plaintiffs have appealed.

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 Bank, N.A. and J.P. Morgan Securities Ltd. (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations in connection with the Swap and the Bond, together with related swap transactions with other counterparties. JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. have entered into a settlement agreement with the City to resolve the City's civil proceedings, in consequence of which the City will no longer be a party to the criminal proceedings discussed below.

In March 2010, a criminal judge directed four current and former JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial that started in May 2010. Although JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. are not charged with any crime and do not face criminal liability, if one or more of their employees were found guilty, JPMorgan Chase, JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. could be subject to administrative sanctions, including restrictions on its ability to conduct business in Italy and monetary penalties. Hearings have continued on a weekly basis since May 2010.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits seeking damages arising out of JPMorgan Chase's banking relationships with Enron Corp. and its subsidiaries ("**Enron**"). A number of actions and other proceedings against JPMorgan Chase previously were 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 an individual action by an Enron investor, an action by an Enron counterparty and a purported class action filed on behalf of JPMorgan Chase employees who participated in JPMorgan Chase's 401(k) plan asserting claims under ERISA for alleged breaches of fiduciary duties by JPMorgan Chase, its directors and named officers. The class action has been dismissed, and is on appeal to the United States Court of Appeals for the Second Circuit. Motions to dismiss are pending in the other two actions.

FERC Investigation. JPMorgan Chase's commodities business owns or has the right to output from several electricity generating facilities. JPMorgan Chase is responding to requests for information in connection with an investigation by the Federal Energy Regulatory Commission regarding bidding practices by this business in certain organised power markets.

Interchange Litigation. A group of merchants has filed a series of putative class action complaints in several federal courts. The complaints allege that Visa and MasterCard, as well as certain other banks, conspired to set the price of credit and debit card interchange fees, enacted respective rules in violation of antitrust laws, and engaged in tying/bundling and exclusive dealing. The complaint seeks unspecified damages and injunctive relief based on the theory that interchange fees would be lower or eliminated but for the challenged conduct. All cases have been consolidated in the United States District Court for the Eastern District of New York for pre-trial proceedings. The Court has dismissed all claims relating to periods prior to January 2004. The Court has not yet ruled on motions relating to the remainder of the case or plaintiffs' class certification motion. Fact and expert discovery have closed.

In addition to the consolidated class action complaint, plaintiffs filed supplemental complaints challenging the initial public offerings ("**IPOs**") of MasterCard and Visa (the "**IPO Complaints**"). With respect to the MasterCard IPO, plaintiffs allege that the offering violated Section 7 of the Clayton 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.

The parties also have filed motions seeking summary judgment as to various claims in the complaints. Oral argument on these summary judgment motions was heard in November 2011.

JPMorgan Chase and the other defendants remain actively involved in settlement discussions under the supervision of the court.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by J.P. Morgan Investment Management Inc. ("**JPMorgan Investment Management**") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMorgan Investment Management and related defendants are liable for losses of more than $1 billion in market value of these securities. The first case was filed by NM Homes One, Inc. in federal District Court in New York. Following rulings on motions addressed to the pleadings, plaintiff's claims for breach of contract, breach of fiduciary duty, negligence and gross negligence survive, and discovery is proceeding. In the second case, filed by Assured Guaranty (U.K.) in New York state court, discovery is proceeding on plaintiff's claims for breach of contract, breach of fiduciary duty and gross negligence. In the third case, filed by Ambac Assurance UK Limited in New York state court, the lower court granted JPMorgan Investment Management's motion to dismiss. The New York State Appellate Division reversed the lower court's decision and discovery is proceeding. The fourth case, filed by CMMF LLP in New York state court, asserts claims under New York law for breach of fiduciary duty, gross negligence, breach of contract and negligent misrepresentation. The lower court denied in part defendants' motion to dismiss and discovery is proceeding.

Lehman Brothers Bankruptcy Proceedings. In May 2010, Lehman Brothers Holdings Inc. ("**LBHI**") and its Official Committee of Unsecured Creditors (the "**Committee**") filed a complaint (and later an amended complaint) against JPMorgan Chase Bank, N.A. in the United States Bankruptcy Court for the Southern District of New York that asserts both federal bankruptcy law and state common law claims, and seeks, among other relief, to recover $8.6 billion in collateral that was transferred to JPMorgan Chase Bank, N.A. in the weeks preceding LBHI's bankruptcy. The amended complaint also seeks unspecified damages on the grounds that JPMorgan Chase Bank, N.A.'s collateral requests hastened LBHI's demise. In February 2012, JPMorgan Asset Management and Highbridge Capital Management reached a settlement with LBHI and the Committee, which had the result of returning to LBHI $700 million of the $8.6 billion of collateral sought by the amended complaint. JPMorgan Chase moved to dismiss plaintiffs' amended complaint in its entirety, and also moved to transfer the litigation from the Bankruptcy Court to the United States District Court for the Southern District of New York. The District Court directed the Bankruptcy Court to decide the motion to dismiss while the District Court is considering the transfer motion. In April 2012, the Bankruptcy Court issued a decision granting in part and denying in part JPMorgan Chase's motion to dismiss. The Court dismissed the counts of the amended complaint seeking avoidance of the allegedly constructively fraudulent and preferential transfers made to JPMorgan Chase during the months of August and September 2008. The Court denied JPMorgan Chase's motion to dismiss as to the other claims, including claims that allege intentional misconduct. The District Court has not yet ruled on the transfer motion.

JPMorgan Chase also filed counterclaims against LBHI alleging that LBHI fraudulently induced JPMorgan Chase to make large clearing advances to Lehman against inappropriate collateral, which left JPMorgan Chase with more than $25 billion in claims (the "**Clearing Claims**") against the estate of Lehman Brothers Inc. ("**LBI**"), LBHI's broker-dealer subsidiary. These claims have been paid in full, subject to the outcome of the litigation. Discovery is underway, with any trial unlikely to begin before 2013. In August 2011, LBHI and the Committee filed an objection to the deficiency claims asserted by JPMorgan Chase Bank, N.A. against LBHI with respect to the Clearing Claims, principally on the grounds that JPMorgan Chase had not conducted the sale of the securities collateral held for such claims in a commercially reasonable manner.

In April 2012, JPMorgan Chase entered into a settlement with the CFTC to resolve the CFTC's Lehman-related investigation of JPMorgan Chase, and pursuant to which JPMorgan Chase paid $20 million.

LIBOR Investigations and Litigation. JPMorgan Chase has received various subpoenas and requests for documents and, in some cases, interviews, from the United States Department of Justice, United States Commodity Futures Trading Commission, United States Securities and Exchange Commission, European Commission, United Kingdom Financial Services Authority, Canadian Competition Bureau and Swiss Competition Commission. The documents and information sought all relate to the process by which rates were submitted to the British Bankers Association ("**BBA**") in connection with the setting of the BBA's London Interbank Offered Rate ("**LIBOR**"), principally in 2007 and 2008. The inquiries from some of the regulators also relate to similar processes by which EURIBOR rates are submitted to

the European Banking Federation and TIBOR rates are submitted to the Japanese Bankers' Association during similar time periods. JPMorgan Chase is cooperating with these inquiries.

In addition, JPMorgan Chase has been named as a defendant along with other banks in a series of individual and class actions filed in various U.S. federal courts alleging that since 2006 the defendants either individually suppressed the LIBOR rate artificially or colluded in submitting rates for LIBOR that were artificially low. Plaintiffs allege that they transacted in U.S. dollar LIBOR-based derivatives or other financial instruments whose values are impacted by changes in U.S. dollar LIBOR, and assert a variety of claims including antitrust claims seeking treble damages. All cases have been consolidated for pre-trial purposes in the United States District Court for the Southern District of New York. In November 2011, the District Court entered an Order appointing interim lead counsel for the two proposed classes: (i) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments directly from the defendants in the over-the-counter market, and (ii) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments on an exchange. In March 2012, the District Court also accepted the transfer of a related action which seeks to bring claims on behalf of a new proposed class: plaintiffs who purchased U.S. dollar LIBOR-based debt issued by Fortune 500 companies underwritten by the defendants.

Madoff Litigation. JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC, and J.P. Morgan Securities Ltd. have been named as defendants in a lawsuit brought by the trustee (the "**Trustee**") for the liquidation of Bernard L. Madoff Investment Securities LLC ("**Madoff**"). The Trustee has served an amended complaint in which he has asserted 28 causes of action against JPMorgan Chase, 20 of which seek to avoid certain transfers (direct or indirect) made to JPMorgan Chase that are alleged to have been preferential or fraudulent under the federal Bankruptcy Code and the New York Debtor and Creditor Law. The remaining causes of action involve claims for, among other things, aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion, contribution and unjust enrichment. The complaint generally alleges that JPMorgan Chase, as Madoff's long-time bank, facilitated the maintenance of Madoff's Ponzi scheme and overlooked signs of wrongdoing in order to obtain profits and fees. The complaint asserts common law claims that purport to seek approximately $19 billion in damages, together with bankruptcy law claims to recover approximately $425 million in transfers that JPMorgan Chase allegedly received directly or indirectly from Bernard Madoff's brokerage firm. By order dated 31 October 2011, the United States District Court for the Southern District of New York granted JPMorgan Chase's motion to dismiss the common law claims asserted by the Trustee, and returned the remaining claims to the Bankruptcy Court for further proceedings. The Trustee has appealed this decision.

Separately, J.P. Morgan Trust Company (Cayman) Limited, JPMorgan (Suisse) SA, J.P. Morgan Securities Ltd., Bear Stearns Alternative Assets International Ltd., J.P. Morgan Clearing Corp., J.P. Morgan Bank Luxembourg SA, and Bear Stearns International Limited (now known as J.P. Morgan Markets Limited) have been named as defendants in lawsuits presently pending in Bankruptcy Court in New York arising out of the liquidation proceedings of Fairfield Sentry Limited and Fairfield Sigma Limited (together, "**Fairfield**"), so-called Madoff feeder funds. These actions are based on theories of mistake and restitution and seek to recover payments made to defendants by the funds totalling approximately $155 million. Pursuant to an agreement with the Trustee, the liquidators of Fairfield have voluntarily dismissed their action against J.P. Morgan Securities Ltd. without prejudice to refiling. The other actions remain outstanding. The Bankruptcy Court has stayed these actions. In addition, a purported class action was brought by investors in certain feeder funds against JPMorgan Chase in the United States District Court for the Southern District of New York, as was a motion by separate potential class plaintiffs to add claims against JPMorgan Chase, JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities Ltd. to an already-pending purported class action in the same court. The allegations in these complaints largely track those raised by the Trustee. The Court dismissed these complaints and plaintiffs have appealed.

JPMorgan Chase is a defendant in five actions pending in New York state court and one purported class action in federal court in New York. The allegations in all of these actions are essentially identical, and involve claims against JPMorgan Chase for, among other things, aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. JPMorgan Chase has moved to dismiss both the state and federal actions.

JPMorgan Chase is also responding to various governmental inquiries concerning the Madoff matter.

MF Global. JPMorgan Chase & Co. has been named as one of several defendants in a number of putative class action lawsuits brought by customers of MF Global in federal district courts in New York, Illinois and Montana. The actions allege, among other things, that JPMorgan Chase aided and abetted MF Global's alleged misuse of customer money and breaches of fiduciary duty and was unjustly enriched by the transfer of certain customer segregated funds by MF Global.

J.P. Morgan Securities LLC has been named as one of several defendants in a putative class action filed in federal District Court in New York on behalf of purchasers of MF Global's publicly traded securities including the securities issued pursuant to MF Global's February 2011 and August 2011 convertible note offerings. The complaint, which asserts violations of the Securities Act of 1933 against the underwriter defendants, alleges that the offering documents contained materially false and misleading statements and omissions regarding MF Global's financial position, including its exposure to European sovereign debt.

A motion to transfer all of these putative class actions to a single forum for consolidated or co-ordinated pretrial proceedings is currently pending before the United States Judicial Panel on Multidistrict Litigation.

JPMorgan Chase continues to respond to requests for information and documents from the CFTC, SEC and SIPA Trustee in connection with their inquiries concerning MF Global.

Mortgage-Backed Securities and Repurchase Litigation and Regulatory Investigations. JPMorgan Chase and affiliates, Bear Stearns and affiliates and Washington Mutual affiliates have been named as defendants in a number of cases in their various roles as issuer, originator or underwriter in mortgage-backed securities ("**MBS**") offerings. These cases include purported class action suits, actions by individual purchasers of securities or by trustees for the benefit of purchasers of securities, and actions by monoline insurance companies that guaranteed payments of principal and interest for particular tranches of securities offerings. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for securities issued by dozens of securitisation trusts contained material misrepresentations and omissions, including with regard to the underwriting standards pursuant to which the underlying mortgage loans were issued, or assert that various representations or warranties relating to the loans were breached at the time of origination. There are currently pending and tolled investor and monoline claims involving approximately $120 billion of such securities.

In the actions against JPMorgan Chase as an MBS issuer (and, in some cases, also as an underwriter of its own MBS offerings), three purported class actions are pending against JPMorgan Chase and Bear Stearns, and/or certain of their affiliates and current and former employees, in the United States District Courts for the Eastern and Southern Districts of New York. Defendants moved to dismiss these actions. In the first of these three actions, the court dismissed claims relating to all but one of the offerings. In the second action, the court dismissed claims as to certain offerings and tranches for lack of standing, but allowed claims to proceed relating to some offerings and certificates including ones raised by newly intervening plaintiffs; both parties have sought leave to appeal these rulings. In the third action, the court largely denied defendants' motion to dismiss, and defendants have sought to appeal certain aspects of the decision. In a fourth purported class action pending in the United States District Court for the Western District of Washington, Washington Mutual affiliates, WaMu Asset Acceptance Corp. and WaMu Capital Corp., along with certain former officers or directors of WaMu Asset Acceptance Corp., have been named as defendants. The court there denied plaintiffs' motion for leave to amend their complaint to add JPMorgan Chase Bank, N.A., as a defendant on the theory that it is a successor to Washington Mutual Bank. In October 2011, the court certified a class of plaintiff investors to pursue the claims asserted, but limited those claims to the 13 tranches of MBS in which a named plaintiff purchased. Expert discovery is proceeding and defendants moved for summary judgment in April 2012.

In addition to class actions, JPMorgan Chase is also a defendant in individual actions brought against certain affiliates of JPMorgan Chase, Bear Stearns and Washington Mutual as issuers (and, in some cases, as underwriters). These actions involve claims by or to benefit various institutional investors and governmental agencies. These actions are pending in federal and state courts across the United States and are at various stages of litigation.

EMC Mortgage LLC (formerly EMC Mortgage Corporation) ("**EMC**"), an indirect subsidiary of JPMorgan Chase & Co., and certain other JPMorgan Chase entities currently are defendants in seven pending actions commenced by bond insurers that guaranteed payments of principal and interest on

approximately $5 billion of certain classes of 21 different MBS offerings. These actions are pending in federal and state courts in New York and are in various stages of litigation.

In actions against JPMorgan Chase solely as an underwriter of other issuers' MBS offerings, JPMorgan Chase has contractual rights to indemnification from the issuers. However, those indemnity rights may prove effectively unenforceable where the issuers are now defunct, such as in pending cases where JPMorgan Chase has been named involving affiliates of IndyMac Bancorp and Thornburg Mortgage. JPMorgan Chase may also be contractually obligated to indemnify underwriters in certain deals it issued.

JPMorgan Chase or its affiliates are defendants in actions brought by trustees of MBS on behalf of the purchasers of securities. In the first, Wells Fargo, as trustee for a single MBS trust, has filed an action against EMC Mortgage in Delaware state court alleging that EMC breached various representations and warranties and seeking the repurchase of more than 1,300 mortgage loans by EMC and indemnification for the trustee attorneys' fees and costs. In the second, a trustee for a single MBS trust filed a summons with notice in New York state court against EMC, Bear Stearns & Co. Inc. and JPMorgan Chase & Co., seeking damages for breach of contract. JPMorgan Chase has not yet been served with the complaint. In the third, JPMorgan Chase is a defendant in an action commenced by Deutsche Bank National Trust Co., acting as trustee for various MBS trusts. That case is described in more detail below with respect to the Washington Mutual Litigations.

There is no assurance that JPMorgan Chase will not be named as a defendant in additional MBS-related litigation, and JPMorgan Chase has entered into agreements with a number of entities that purchased such securities that toll applicable limitations periods with respect to their claims. In addition, JPMorgan Chase has received several demands by securitisation trustees that threaten litigation, as well as demands by investors directing or threatening to direct trustees to investigate claims or bring litigation, based on purported obligations to repurchase loans out of securitisation trusts and alleged servicing deficiencies. These include but are not limited to a demand from a law firm, as counsel to a group of certificateholders who purport to have 25 per cent. or more of the voting rights in as many as 191 different trusts sponsored by JPMorgan Chase with an original principal balance of more than $174 billion (excluding 52 trusts sponsored by Washington Mutual, with an original principal balance of more than $58 billion), made to various trustees to investigate potential repurchase and servicing claims. These also include repurchase and servicing claims made in litigation against trustees not affiliated with JPMorgan Chase, but involving trusts JPMorgan Chase sponsored.

A shareholder complaint has been filed in New York state court against JPMorgan Chase and two affiliates, members of the boards of directors thereof and certain employees, asserting claims based on alleged wrongful actions and inactions relating to residential mortgage originations and securitisations. The action seeks an accounting and damages. The defendants have moved to dismiss the action.

In addition to the above-described litigation, JPMorgan Chase has also received, and responded to, a number of subpoenas and informal requests for information from federal and state authorities concerning mortgage-related matters, including inquiries concerning a number of transactions involving JPMorgan Chase's origination and purchase of whole loans, underwriting and issuance of MBS, treatment of early payment defaults and potential breaches of securitisation representations and warranties, reserves and due diligence in connection with securitisations. In January 2012, JPMorgan Chase was advised by SEC staff that they are considering recommending to the Commission that civil or administrative actions be pursued arising out of two separate investigations they have been conducting. The first involves potential claims against J.P. Morgan Securities LLC and J.P. Morgan Acceptance Corporation I relating to due diligence conducted for two mortgage-backed securitisations and corresponding disclosures. The second involves potential claims against Bear Stearns entities, JPMorgan Chase & Co. and J.P. Morgan Securities LLC relating to settlements of claims against originators involving loans included in a number of Bear Stearns securitisations. In both investigations, JPMorgan Chase has submitted responses to the proposed actions.

Mortgage Foreclosure Investigations and Litigation. JPMorgan Chase and four other firms agreed to a settlement (the "**global settlement**") with a number of federal and state government agencies, including the Department of Justice, the Department of Housing and Urban Development, the Consumer Financial Protection Bureau and the State Attorneys General, relating to the servicing and origination of mortgages. The global settlement, which was approved by the federal District Court for the District of Columbia effective 5 April 2012, calls for JPMorgan Chase to, among other things: (i) make cash

payments of approximately $1.1 billion (a portion of which will be set aside for payments to borrowers); (ii) provide approximately $500 million of refinancing relief to certain "underwater" borrowers whose loans are owned by JPMorgan Chase; and (iii) provide approximately $3.7 billion of additional relief for certain borrowers, including reductions of principal on first and second liens, payments to assist with short sales, deficiency balance waivers on past foreclosures and short sales, and forbearance assistance for unemployed homeowners. If JPMorgan Chase does not meet certain targets for provision of the refinancing or other borrower relief within certain prescribed time periods, JPMorgan Chase will instead make cash payments. In addition, under the global settlement, JPMorgan Chase is required to adhere to certain enhanced mortgage servicing standards.

The global settlement releases JPMorgan Chase from further state and federal claims, including: certain qui tam actions related to servicing activities, including foreclosures and loss mitigation activities; certain origination activities, including fees related to Veterans Administration Interest Rate Reduction Refinance Loans; and certain bankruptcy-related activities. Not included in the global settlement are any claims arising out of securitisation activities, including representations made to investors respecting mortgage-backed securities, criminal claims and repurchase demands from the GSEs, among other items. The New York Department of Financial Services was not a party to the settlement and did not release any claims.

JPMorgan Chase also entered into agreements with the Federal Reserve and the OCC for the payment of civil money penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011. JPMorgan Chase's payment obligations under those agreements will be deemed satisfied by JPMorgan Chase's payments and provisions of relief under the global settlement.

The Attorneys General of Massachusetts and New York have separately filed lawsuits against JPMorgan Chase, other servicers and a mortgage recording company asserting claims for various alleged wrongdoings relating to mortgage assignments and use of the industry's electronic mortgage registry. JPMorgan Chase has moved to dismiss these actions.

In addition, as part of the global settlement, the Department of Justice agreed to a full release of potential civil claims under the Servicemembers Civil Relief Act ("**SCRA**") and the Housing and Economic Recovery Act of 2008 ("**HERA**") with respect to the servicing of residential mortgages, in exchange for JPMorgan Chase's agreement to comply with certain protections for military personnel, as well as conducting a review of all completed foreclosures from 2006 to April 2012 to evaluate whether the completed foreclosures were in compliance with the SCRA and HERA.

Five purported class action lawsuits were filed against JPMorgan Chase relating to its mortgage foreclosure procedures. Two of those suits were dismissed with prejudice. A third suit has been resolved, and its dismissal will be obtained shortly. Additionally, the purported class action brought against Bank of America involving an EMC loan has been dismissed.

Two shareholder derivative actions have been filed in New York state court against JPMorgan Chase's board of directors alleging that the board failed to exercise adequate oversight as to wrongful conduct by JPMorgan Chase regarding mortgage servicing. These actions seek declaratory relief and damages. The defendants have moved to dismiss the first-filed action.

Municipal Derivatives Investigations and Litigation. Purported class action lawsuits and individual 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". In July 2011, JPMorgan Chase settled with federal and state governmental agencies to resolve their investigations into similar alleged conduct. The municipal derivatives actions have been consolidated and/or co-ordinated in the United States 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 federal and California state antitrust laws and under the California false claims act. Subsequently, a number of additional individual actions asserting substantially similar claims, including claims under New York and West Virginia state antitrust statutes, were filed against JPMorgan Chase, Bear Stearns and numerous other defendants. These cases were also co-ordinated for pretrial purposes in the United States District Court for the Southern District of New York (the "**Municipal Derivatives Actions**"). In

April 2012, JPMorgan and Bear Stearns reached an agreement to settle the Municipal Derivatives Actions for $45 million. The settlement is subject to court approval.

In addition, civil actions have been commenced against JPMorgan Chase relating to certain Jefferson County, Alabama (the "**County**") warrant underwritings and swap transactions. In November 2009, J.P. Morgan Securities LLC settled with the SEC to resolve its investigation into those transactions. Following that settlement, the County and a putative class of sewer rate payers filed complaints against JPMorgan Chase and several other defendants in Alabama state court. The suits allege that JPMorgan Chase made payments to certain third parties in exchange for being chosen to underwrite more than $3 billion in warrants issued by the County and to act as the counterparty for certain swaps executed by the County. The complaints also allege that JPMorgan Chase concealed these third-party payments and that, but for this concealment, the County would not have entered into the transactions. The Court denied JPMorgan Chase's motions to dismiss the complaints in both proceedings. JPMorgan Chase filed mandamus petitions with the Alabama Supreme Court, seeking immediate appellate review of these decisions. The mandamus petition in the County's lawsuit was denied in April 2011. In November and December 2011, the County filed notices of bankruptcy with the trial court in each of the cases and with the Alabama Supreme Court stating that it was a Chapter 9 Debtor in the U.S. Bankruptcy Court for the Northern District of Alabama and providing notice of the automatic stay. Subsequently, the portion of the sewer rate payer action involving claims against JPMorgan Chase was removed by certain defendants to the United States District Court for the Northern District of Alabama. In its order finding that removal of this action was proper, the District Court referred the action to the District's Bankruptcy Court, where the action remains pending.

Two insurance companies that guaranteed the payment of principal and interest on warrants issued by the County have filed separate actions against JPMorgan Chase in New York state court. Their complaints assert that JPMorgan Chase fraudulently misled them into issuing insurance based upon substantially the same alleged conduct described above and other alleged non-disclosures. One insurer claims that it insured an aggregate principal amount of nearly $1.2 billion and seeks unspecified damages in excess of $400 million as well as unspecified punitive damages. The other insurer claims that it insured an aggregate principal amount of more than $378 million and seeks recovery of $4 million allegedly paid under the policies to date as well as any future payments and unspecified punitive damages. In December 2010, the court denied JPMorgan Chase's motions to dismiss each of the complaints. JPMorgan Chase has filed a cross-claim and a third party claim against the County for indemnity and contribution. The County moved to dismiss, which the court denied in August 2011. In consequence of its November 2011 bankruptcy filing, the County has asserted that these actions are stayed.

Overdraft Fee/Debit Posting Order Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in several purported class actions relating to its practices in posting debit card transactions to customers' deposit accounts. Plaintiffs allege that JPMorgan Chase improperly re-ordered debit card transactions from the highest amount to the lowest amount before processing these transactions in order to generate unwarranted overdraft fees. Plaintiffs contend that JPMorgan Chase should have processed such transactions in the chronological order they were authorised. Plaintiffs seek the disgorgement of all overdraft fees paid to JPMorgan Chase by plaintiffs since approximately 2003 as a result of the re-ordering of debit card transactions. The claims against JPMorgan Chase have been consolidated with numerous complaints against other national banks in multi-District litigation pending in the United States District Court for the Southern District of Florida. JPMorgan Chase's motion to compel arbitration of certain plaintiffs' claims was initially denied by the District Court. On appeal, the United States Court of Appeals for the Eleventh Circuit vacated the District Court's order and remanded the case for reconsideration in light of a recent ruling by the United States Supreme Court in an unrelated case addressing the enforcement of an arbitration provision in a consumer product agreement. JPMorgan Chase has reached an agreement in principle to settle this matter in exchange for JPMorgan Chase paying $110 million and agreeing to change certain overdraft fee practices. The settlement is subject to documentation and court approval.

Petters Bankruptcy and Related Matters. JPMorgan Chase and certain of its affiliates, including One Equity Partners ("**OEP**"), have been named as defendants in several actions filed in connection with the receivership and bankruptcy proceedings pertaining to Thomas J. Petters and certain affiliated entities (collectively, "**Petters**") and the Polaroid Corporation. The principal actions against JPMorgan Chase and its affiliates have been brought by a court-appointed receiver for Petters and the trustees in bankruptcy proceedings for three Petters entities. These actions generally seek to avoid, on fraudulent

transfer and preference grounds, certain purported transfers in connection with (i) the 2005 acquisition by Petters of Polaroid, which at the time was majority-owned by OEP; (ii) two credit facilities that JPMorgan Chase and other financial institutions entered into with Polaroid; and (iii) a credit line and investment accounts held by Petters. The actions collectively seek recovery of approximately $450 million. Defendants have moved to dismiss the complaints in the actions filed by the Petters bankruptcy trustees and the parties have agreed to stay the action brought by the Receiver until after the Bankruptcy Court rules on the pending motions.

Securities Lending Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in four putative class actions asserting ERISA and other claims pending in the United States District Court for the Southern District of New York brought by participants in JPMorgan Chase's securities lending business. A fifth lawsuit was filed in New York state court by an individual participant in the programme. Three of the purported class actions, which have been consolidated, relate to investments of approximately $500 million in medium-term notes of Sigma Finance Inc. ("**Sigma**"). In August 2010, the Court certified a plaintiff class consisting of all securities lending participants that held Sigma medium-term notes on 30 September 2008, including those that held the notes by virtue of participation in the investment of cash collateral through a collective fund, as well as those that held the notes by virtue of the investment of cash collateral through individual accounts. The Court granted JPMorgan Chase's motion for partial summary judgment as to plaintiffs' duty of loyalty claim, finding that JPMorgan Chase did not have a conflict of interest when it provided repurchase financing to Sigma while also holding Sigma medium-term notes in securities lending accounts. The parties reached an agreement to settle this action for $150 million. The settlement agreement is subject to court approval. A final approval hearing is scheduled for June 2012.

The fourth putative class action concerns investments of approximately $500 million in Lehman Brothers medium-term notes. The Court granted JPMorgan Chase's motion to dismiss all claims in April 2012, without leave to re-plead. The New York state court action, which is not a class action, concerns the plaintiff's alleged loss of money in both Sigma and Lehman Brothers medium-term notes. JPMorgan Chase has answered the complaint. Discovery is proceeding.

Washington Mutual Litigations. Subsequent to JPMorgan Chase's acquisition from the FDIC of substantially all of the assets and certain specified liabilities of Washington Mutual Bank ("**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 United States Code in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Case**"). In the Bankruptcy Case, the Debtors asserted rights and interests in certain assets. The assets in dispute include principally the following: (a) approximately $4 billion in trust securities contributed by WMI to Washington Mutual Bank (the "**Trust Securities**"); (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**").

WMI, JPMorgan Chase and the FDIC were involved in litigations over these and other claims in the Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") and the United States District Court for the District of Columbia.

In May 2010, WMI, JPMorgan Chase and the FDIC announced a global settlement agreement among themselves and significant creditor groups (the "**WaMu Global Settlement**"). The WaMu Global Settlement is incorporated into WMI's Chapter 11 plan (the "**Plan**"). The WaMu Global Settlement resolved numerous disputes among WMI, JPMorgan Chase, the FDIC in its capacity as receiver for Washington Mutual Bank and the FDIC in its corporate capacity, as well as those of significant creditor groups, including disputes relating to the Disputed Assets. In February 2012 the Bankruptcy Court confirmed the Plan, including the WaMu Global Settlement. The WaMu Global Settlement and Plan became effective in March 2012, resolving the litigation involving the Disputed Assets.

The Bankruptcy Court also dealt with other proceedings related to Washington Mutual's failure. Among other actions, in July 2010, certain holders of the Trust Securities commenced an adversary proceeding in the Bankruptcy Court against JPMorgan Chase, WMI, and other entities seeking, among other relief, a declaratory judgment that WMI and JPMorgan Chase do not have any right, title or

interest in the Trust Securities. In early January 2011, the Bankruptcy Court granted summary judgment to JPMorgan Chase and denied summary judgment to the plaintiffs in the Trust Securities adversary proceeding. The plaintiffs have appealed that decision to the United States District Court for the District of Delaware. The appeal was dismissed in March 2012 upon the effective date of the Plan, pursuant to a stipulated agreement.

Other proceedings related to Washington Mutual's failure are pending before the United States District Court for the District of Columbia and include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged 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. The case includes assertions that JPMorgan Chase may have assumed liabilities for the alleged breaches of representations and warranties in the mortgage securitisation agreements. The District Court denied as premature motions by JPMorgan Chase and the FDIC that sought a ruling on whether the FDIC retained liability for Deutsche Bank's claims. Discovery is underway.

In addition, JPMorgan Chase was sued in an action originally filed in state court in Texas (the "**Texas Action**") by certain holders of WMI common stock and debt of WMI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at a price that was allegedly too low. The Texas Action was transferred to the United States District Court for the District of Columbia, which ultimately granted JPMorgan Chase's and the FDIC's motions to dismiss the complaint, but the United States Court of Appeals for the District of Columbia Circuit reversed the trial court's dismissal and remanded the case for further proceedings. Plaintiffs, who sue now only as holders of Washington Mutual Bank debt following their voluntary dismissal of claims brought as holders of WMI common stock and debt, have filed an amended complaint alleging that JPMorgan Chase caused the closure of Washington Mutual Bank and damaged them by causing their bonds issued by Washington Mutual Bank, which had a total face value of $38 million, to lose substantially all of their value. JPMorgan Chase and the FDIC have again moved to dismiss this action.

In addition to the various legal proceedings discussed above, JPMorgan Chase and its subsidiaries are named as defendants or are otherwise involved in a substantial number of other legal proceedings. JPMorgan Chase believes it has meritorious defences to the claims asserted against it in its currently outstanding legal proceedings and it intends to defend itself vigorously in all such matters. Additional legal proceedings may be initiated from time to time in the future.

JPMorgan Chase has established reserves for several hundred of its currently outstanding legal proceedings. JPMorgan Chase accrues for potential liability arising from such proceedings when it is probable that such liability has been incurred and the amount of the loss can be reasonably estimated. JPMorgan Chase evaluates its outstanding legal proceedings each quarter to assess its litigation reserves, and makes adjustments in such reserves, upwards or downwards, as appropriate, based on management's best judgment after consultation with counsel. During the three months ended 31 March 2012 and 2011, JPMorgan Chase incurred $2.7 billion and $1.1 billion, respectively, of litigation expense. There is no assurance that JPMorgan Chase's litigation reserves will not need to be adjusted in the future.

In view of the inherent difficulty of predicting the outcome of legal proceedings, particularly where the claimants seek very large or indeterminate damages, or where the matters present novel legal theories, involve a large number of parties or are in early stages of discovery, JPMorgan Chase cannot state with confidence what will be the eventual outcomes of the currently pending matters, the timing of their ultimate resolution or the eventual losses, fines, penalties or impact related to those matters. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal proceedings currently pending against it should not have a material adverse effect on JPMorgan Chase's consolidated financial condition. JPMorgan Chase notes, however, that in light of the uncertainties involved in such proceedings, there is no assurance the ultimate resolution of these matters will not significantly exceed the reserves it has currently accrued; 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.

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 small businesses, commercial banking, financial transaction 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. JPMorgan Chase Bank, N.A.'s principal operating subsidiary in the United Kingdom is J.P. Morgan Securities Ltd.

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.

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	Principal Occupation
James Dimon	Chairman of the Board, Chief Executive Officer and President
Frank J. Bisignano	Chief Administrative Officer, and Chief Executive Officer, Mortgage Banking
Douglas L. Braunstein	Chief Financial Officer
Michael J. Cavanagh	Chief Executive Officer, Treasury & Securities Services
Stephen M. Cutler	General Counsel
John L. Donnelly	Head, Human Resources
Ina R. Drew	Chief Investment Officer
Mary Callahan Erdoes	Chief Executive Officer, Asset Management
John J. Hogan	Chief Risk Officer
Samuel Todd Maclin	Chief Executive Officer, Consumer & Business Banking
Douglas B. Petno	Chief Executive Officer, Commercial Banking
Gordon A. Smith	Chief Executive Officer, Card Services & Auto

Name	Principal Occupation
James E. Staley	Chief Executive Officer, Investment Bank
Barry L. Zubrow	Head, Corporate and Regulatory Affairs

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
James Dimon	Chairman of the Board, Chief Executive Officer and President of JPMorgan Chase & Co.
Frank J. Bisignano	Chief Administrative Officer, and Chief Executive Officer, Mortgage Banking of JPMorgan Chase & Co.
Douglas L. Braunstein	Chief Financial Officer of JPMorgan Chase & Co.
James S. Crown	President of Henry Crown and Company
Laban P. Jackson, Jr.	Chairman and Chief Executive Officer of Clear Creek Properties, Inc.
Barry L. Zubrow	Head, Corporate and Regulatory Affairs 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.

For information concerning other positions held by the non-executive Directors of JPMorgan Chase Bank, N.A. and concerning JPMorgan Chase's policies and procedures for reviewing and approving transactions with its directors and executive officers, see "Information about the nominees" on pages 1 to 7 and "Additional information about our directors and executive officers" on pages 33 to 34 of the JPMorgan Chase & Co. 2012 Proxy Statement, which is incorporated by reference into this Base Prospectus.

Financial Information

JPMorgan Chase Bank, N.A. prepares annual and semi-annual 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.'s annual and semi-annual consolidated financial statements, as they become available, can be viewed on the website of the National Storage Mechanism of the U.K. Listing Authority at www.hemscott.com/nsm.do, and, following their incorporation by reference into this Base Prospectus, can be viewed on the Luxembourg Stock Exchange's website at www.bourse.lu. 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. 2011 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	
	2011	**2010**
Total net revenue	$ 73,272	$ 74,594

Provision for credit losses	5,344	9,406
Total noninterest expense	51,578	49,431
Income before income tax expense	16,350	15,757
Net income	$ 12,456	$ 11,826

Selected balance sheet data

(in millions)	**31 December**	
	2011	**2010**
Trading assets	$ 322,558	$ 358,150
Securities	357,104	310,762
Loans, net of allowance for loan losses	578,648	530,569
Total assets	1,811,678	1,631,621
Deposits	1,190,738	1,019,993
Long-term debt	81,888	67,584
Total stockholders' equity	130,777	123,217

Auditors

The JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements and JPMorgan Chase Bank, N.A. 2010 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, New York 10017, U.S.A., without qualification. A copy of the auditor's report is on page 1 of the JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements and on page 1 of the JPMorgan Chase Bank, N.A. 2010 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 2011:

Fiscal Year	**Dividend Amount**
2011	$ 6,000,000,000
2010	$ 15,500,000,000
2009	$ 15,200,000,000
2008	$ 1,000,000,000
2007	$ 3,500,000,000

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 2011, and has been extracted from the JPMorgan Chase Bank, N.A. 2011 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 2011**
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	77,232
Retained earnings	48,241
Accumulated other comprehensive income	3,519
Total stockholder's equity	$130,777

Common Stock

As of 31 December 2011, 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

Reference is made to the notes to the JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements incorporated by reference into this Base Prospectus for information regarding warrants, bonds, borrowings and contingent liabilities outstanding as at 31 December 2011.

Principal Subsidiaries

JPMorgan Chase Bank, N.A.'s principal operating subsidiary in the United Kingdom is J.P. Morgan Securities Ltd. J.P. Morgan Securities Ltd. is wholly owned by JPMorgan Chase Bank, N.A. and its accounts are included in the consolidated financial statements of JPMorgan Chase Bank, N.A. Exhibit 21 to the JPMorgan Chase & Co. 2011 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

See the section entitled "*JPMorgan Chase & Co. – Litigation*" for a description of material litigation matters affecting JPMorgan Chase & Co. and its subsidiaries, including JPMorgan Chase Bank, N.A.

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 and remains registered at the Chamber of Commerce of Amsterdam under registered number 34259454 and has its registered offices at Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, The Netherlands (telephone number +31 20 575 5600).

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 2011, 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 2012 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.

Directors and Officers

The administrative, management and supervisory bodies of JPMSP comprise its Board of Directors. Set forth below are the names and positions of JPMSP's Directors:

Name	Function	Business address
Jacob Cornelis Willem van Burg	Managing Director	Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, The Netherlands
David Roland Hansson	Managing Director	10 Aldermanbury, London EC2V 7RF, United Kingdom

Gregory Hock-Ken Yu	Managing Director	25/F Chater House, 8 Connaught Road, Central Hong Kong
Robert Willem de Koning	Managing Director	Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, The Netherlands
Jozef Cornelis Petrus van Uffelen	Managing Director	Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, The Netherlands

The principal outside activities of Mr. Van Burg, Mr. De Koning and Mr. Van Uffelen are as employees of the firm TMF Netherlands B.V. (formerly known as Equity Trust Co. N.V.), a trust company which was established in The Netherlands in 1970. Mr. Hansson is a Managing Director and Mr. Yu is an Executive Director of the Investment Bank division at JPMorgan and there are no principal outside activities performed by Mr. Hansson and Mr. Yu which are significant to JPMSP as issuer. All Directors hold office until removed.

Subject in the case of Mr. Van Burg, Mr. De Koning and Mr. Van Uffelen to their duties to TMF Netherlands B.V., 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 2011 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 26 of the JPMSP 2011 Audited Financial Statements and at page 27 of the JPMSP 2010 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 2011 was U.S.$1,347,000 (U.S.$1,284,000 for the financial year ended 31 December 2010). As at 31 December 2011 the total shareholders' funds of JPMSP were U.S.$527,392,000 (U.S.$526,045,000 as at 31 December 2010). JPMSP's profit on ordinary activities before taxation for the year ended 31 December 2011 was

U.S.$2,000,000 (U.S.$1,777,000 for the year ended 31 December 2010). JPMSP's total assets at 31 December 2011 were U.S.$23,248,274,000 (U.S.$27,748,819,000 as at 31 December 2010). JPMSP's total liabilities as at 31 December 2011 were U.S.$22,720,882,000 (U.S.$27,222,774,000 as at 31 December 2010).

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 30 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, dispose of, 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 exploit and trade in patent, trade marks, licences, 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 2011 and 31 December 2010 was U.S.$1,430,000 and U.S.$740,000 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.

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 bank, licenced and regulated by the Central Bank of Ireland. JPMBD is an indirect, wholly-owned subsidiary of JPMorgan Chase & Co. and has its registered offices at JPMorgan House, 1 Georges Dock, International Financial Services Centre, Dublin 1, Ireland. The telephone number of JPMBD is +353 1 612 3000.

The most recently prepared audited financial statements were for the year ended 31 December 2011.

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, repurchase and reverse repurchase transactions and other 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 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 2009, JPMBD also 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 2012 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 2012 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 Ireland and 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.

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, Chief Executive Officer
Niamh G. Walsh	Director, Chief Risk Officer
Dara M. Quinn	Director, Chief Financial Officer
Michael J. Meagher	Director
Padraic O'Connor	Director
Graham Meadows	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 Chief Executive 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, the Risk Committee, the Business Control Committee and the Local Management Committee.

Management

Name	Title
Liam J. MacNamara	Director, Chief Executive Officer
Niamh G. Walsh	Director, Chief Risk 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 2011 and 31 December 2010 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 2011 Audited Financial Statements and on pages 7 to 8 of the JPMBD 2010 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.

Selected Financial Information

The Profit after tax of JPMBD for the financial year ending 31 December 2011 was U.S.$326,000 (U.S.$984,000 for the financial year ended 31 December 2010). As at 31 December 2011 the total shareholders' funds of JPMBD were U.S.$1,121,729,000 (U.S.$1,119,916,000 as at 31 December 2010). JPMBD's Profit on ordinary activities before taxation for the year ended 31 December 2011 was U.S.$326,000 (U.S.$984,000 for the year ended 31 December 2010). JPMBD's total assets at 31 December 2011 were U.S.$2,005,160,000 (U.S.$2,323,180,000 as at 31 December 2010). JPMBD's total liabilities as at 31 December 2011 were U.S.$883,431,000 (U.S.$1,203,264,000 as at 31 December 2010).

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.$900,000,000 divided into 900,000,000 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 367,832,000 ordinary shares of U.S.$1.00 are issued and fully paid.

JPMBD does not hold any of its own shares.

Net Turnover

The net turnover of JPMBD for the years ended 31 December 2011 and 31 December 2010 was U.S.$ 2,730,000 and U.S.$2,318,000 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.

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 and is licenced to conduct international business. JPMI was registered at the Corporate Affairs and Intellectual Property Office of Barbados under registered number 980 and has its registered offices at 2nd Floor, Building No 2, Chelston Park, Collymore Rock, St Michael, Barbados, BB11000 (telephone number +(246) 467 4308).

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.

Managers

The administrative, management and supervisory bodies of JPMI comprise its Board of Managers. Set forth below are the names and positions of JPMI's Managers:

Name	Function	Business address
Roland V. Jones	Manager	2nd Floor, Building No 2, Chelston Park, Collymore Rock, St Michael, Barbados, BB11000
Peter E. Little	Manager	2nd Floor, Building No 2, Chelston Park, Collymore Rock, St Michael, Barbados, BB11000
Miguel Anacoreta	Manager	383 Madison Avenue, New York, New York 10179, United States of America

The principal outside activities of Mr. Jones and Mr. Little are as employees of the firm Royal Bank of Canada (Caribbean) Corporation. They are both Barbados residents. The principal outside interest of Mr. Anacoreta is as an employee of J.P. Morgan Securities LLC. All managers hold office until removed.

Subject to their duties to Royal Bank of Canada (Caribbean) Corporation or, in the case of Mr. Anacoreta, his duties to J.P. Morgan Securities LLC, 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

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.

JPMI has an accounting reference date of 31 December with the first fiscal year ending 31 December 2010.

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 Depositary 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 depositary 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 centralised securities registry. It is a computerised bookkeeping system in which the ownership of and transactions relating to securities that are registered with the VPS are recorded. The VPS also facilitates the clearance and settlement of securities transactions. All transactions relating to securities registered with the VPS are made through computerised 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 authorised 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 pursuant to Norwegian law 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.

The National Depositary for Securities

The National Depositary for Securities (*Krajowy Depozyt Papierów Wartościowych*) is the central depositary and clearing house of financial instruments traded on the Polish capital market. The depositary-settlement system of the National Depositary for Securities - kdpw_stream can process up to 1,000,000 operations per day.

The National Depositary for Securities has been in operation as an independent institution since 1994. Previously it was a part of the Warsaw Stock Exchange from 1991. The National Depositary for Securities is a joint stock company, with the State Treasury, as represented by the Minister of the State Treasury, the Warsaw Stock Exchange and the National Bank of Poland each holding 1/3 of its shares.

The main responsibilities of the National Depositary for Securities include clearing and settlement of transactions executed on regulated and non-regulated markets, registration and safekeeping of financial instruments and processing of corporate actions and securities entitlements.

All securities traded in an organised trading system, including regulated markets are dematerialised, therefore, all transactions relating to securities registered with the National Depositary for Securities are made through computerised book entries.

The National Depositary for Securities operates links with other central securities depositories, including Euroclear and Clearstream, Luxembourg. For zloty-denominated Securities being cleared through Euroclear and Clearstream, Luxembourg and bridged via the National Depositary for Securities, Polish investors will generally need to participate via an account with the National Depositary for Securities or have an account with a participant of the National Depositary for Securities. The National Depositary for Securities will, in turn, hold an account with Euroclear or Clearstream, Luxembourg.

Any investor acquiring an interest in Securities via the National Depositary for Securities, provided that the National Depositary for Securities were able to be "linked" to Euroclear and Clearstream, Luxembourg, should be aware that:

- an investor's interest in Securities will reflect the position held by the National Depositary for Securities as an accountholder in Euroclear and Clearstream, Luxembourg;

- the respective rules and procedures of both (i) Euroclear and Clearstream, Luxembourg (in the first instance) and (ii) the National Depositary for Securities (thereafter) will determine the extent to which, and the manner in which, investors may exercise any rights arising under the Securities and the timing requirements for meeting any deadlines for the exercise of those rights, together with other matters as may be set out in the rules of the various clearing systems such as payments, transfers, notifications and other restrictions; and

- for so long as the Securities are represented by a Global Security, the relevant Issuer's (and, if applicable, the relevant Guarantor's) payment obligations under the Securities will be discharged upon payment to the common depositary on behalf of Euroclear and Clearstream, Luxembourg.

More information regarding the National Depositary for Securities and its rules and operating procedures can be found at its internet web site at http://www.kdpw.pl/.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in a programme agreement dated 11 May 2012, 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 11 May 2012.

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 and the securities to be delivered upon redemption or exercise of the Securities, if any, have not been and will not be registered under the Securities Act, or any state securities laws. 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 has not been approved by the CFTC under the Commodities Exchange Act. The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee have not been and will not be registered under the rules of the OCC. The Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered and sold pursuant to Rule 144A) are being offered and sold pursuant to the exemption from registration under the Securities Act contained in Regulation S. The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee may also be offered or sold in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(2) thereof and will be offered and sold pursuant to an exemption from the registration requirements of the OCC (including, in the case of offers or sales outside the United States, in compliance with Regulation S as such regulation is incorporated into the regulations of the OCC pursuant to 12 C.F.R. Section 16.5(g)). The Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered and sold pursuant to Rule 144A) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, pledged, assigned, delivered or otherwise transferred or exercised or redeemed at any time 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. Hedging transactions involving "equity securities" of "domestic issuers" (as each such term is defined in the Securities Act and regulations thereunder) may only be conducted in compliance with the Securities Act. Any person who purchases Securities at any time is deemed to have acknowledged and understood the selling restrictions set out above and is also required to make, or is deemed to have made, the representations and agreements as set out below under "— United States" and under "Transfer Restrictions" as a condition to purchasing such Security or any legal or beneficial interest therein.

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, the Kingdom of Denmark, the Republic of Finland, France, Germany, Hungary, the Republic of Ireland, the Republic of Italy, the Principality of Liechtenstein, The Netherlands, the Kingdom of Norway, Poland, Portugal, Slovakia, the Kingdom of Spain, the Kingdom of Sweden and the United Kingdom 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., J.P. Morgan Securities LLC, J.P. Morgan Securities (Asia Pacific) Limited 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 JPMSP, JPMBD, JPMI, 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.

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 section 708 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 and section 761 GA 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.

Austria

For selling restrictions in respect of Austria, please see "European Economic Area" below.

Bahamas

The Securities may not be offered or sold in or from within The Bahamas unless the offer or sale is made by a person appropriately licensed or registered to conduct securities business in or from within The Bahamas.

The 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.

No distribution of the Securities may be made in The Bahamas unless a preliminary prospectus and a prospectus have been filed with the Securities Commission of The Bahamas and the Securities Commission of The Bahamas has issued a receipt for each document, unless such offering is exempted pursuant to the Securities Industry Regulations, 2012.

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 issued to, passed to, or made available to the public generally in the Kingdom of Bahrain, and 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 Bourse 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 Purchaser 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 Financial Services and Markets Authority. 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 6.1.1.1.1 of Decree 2555 of 2010 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 2555 of 2010, 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.

Czech Republic

For selling restrictions in respect of the Czech Republic, please see "European Economic Area" below, provided that:

(a) item (b) under the "European Economic Area" shall be replaced with the following:

"(b) at any time to any legal entity which is a qualified investor as defined in Section 34 subsection 3 of the Czech Act No. 256/2004 Coll., on undertaking on the capital market, as amended (the "**Czech Capital Markets Act**");

(b) in item (c) under the "European Economic Area" the reference to the "qualified investors as defined in the Prospectus Directive" shall be replaced by a reference to "qualified investors as defined in the Czech Capital Markets Act";

(c) item (d) under the "European Economic Area" shall be replaced with the following:

"(d) at any time in any other circumstances falling within Section 35, subsection 2 of the Czech Capital Markets Act,".

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 will it 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 regulations 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 and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") 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 and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, 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; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) 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, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Finland

For selling restrictions in respect of Finland, please see "European Economic Area" above.

France

This Base Prospectus has not been approved by the *Autorité des marchés financiers*.

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 in relation to those Securities has been approved by the *Autorité des marchés financiers* on the date of its publication, or (ii) 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 when 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 service 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 France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Securities other than to investors to whom offers and sales of Securities in 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, as it is required that 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). Also, 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 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.

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 (except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**Securities and Futures Ordinance**")) other than (a) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) 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 and any rules made under that Ordinance.

Hungary

For selling restrictions in respect of Hungary, please see "European Economic Area" above.

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 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 to any person in India.

The Dealers have consented to the provision by the Issuer and its associates/affiliates to any Indian government or regulatory authority of any information regarding it and its dealings in the Securities as required under applicable Indian regulations and/or as requested by any Indian governmental or regulatory authority. The Dealers have agreed to promptly provide to the Issuer, or directly to the relevant Indian governmental or regulatory authority (and confirm to the relevant Issuer when it has done so), such additional relevant information that the Issuer deems necessary or appropriate in order for the Issuer to comply with any such regulations and/or requests.

The Dealers have agreed to promptly notify the relevant Issuer should any of the representations, warranties, agreements and undertakings given by them change or no longer hold true. The Dealers have also represented that any sale, transfer assignment, novation or other disposal of the Securities by the Dealers, whether direct or indirect, will be subject to the acquiring entity giving substantially the same consents, representations and warranties to the Dealer as set out herein.

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**") nor have they been approved by the Indonesian Central Bank (Bank Indonesia) for sale 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, Bank Indonesia (and each of their respective successors in the future namely *Otoritas Jasa Keuangan* (Financial Services Authority, OJK)) and Bappebti 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 Central Bank of Ireland 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 Central Bank of Ireland; and

(d) the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued by the Central Bank of Ireland 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. Any offeree who purchases the Securities 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 and qualifies as an "Eligible Client" as defined under the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law 5755-1995. 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 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 Article 34-ter of 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 (a) or (b) 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. Securities which are initially offered and placed in Italy or abroad to professional investors only but in the following year are "systematically" distributed on the secondary market in Italy become subject to 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 instruments 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**") unless such offer is not required to be registered under the Securities Act (1993). The offer of the Securities is not nor shall it be deemed to be 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 and/or the Securities Act of Jamaica. 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

The Securities have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority. The offering of the Securities in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 "Establishing of the Capital Markets

Authority and the organisation of securities activity", its Executive Regulations and the various Resolutions and Announcements issued pursuant thereto or in connection therewith. No private or public offering of the Securities is being made in Kuwait, and no agreement relating to the sale of the Securities will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Securities in Kuwait.

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.

Liechtenstein

For selling restrictions in respect of Liechtenstein, please see "European Economic Area" above.

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*).

Monaco

Each Dealer has represented and agreed that it will not offer, market or sell any Securities or distribute any documents in the Principality of Monaco relating thereto, save in strict compliance with Law n° 1.338 of 7 September 2007 and Sovereign Ordinance n° 1.284 of 10 September 2007.

Securities shall not be marketed, offered and sold from a place of business with the Principality of Monaco (including any offering from an internet or other electronic service provider located in the Principality of Monaco) or in a any manner constituting a commencement of business, unless by duly registered and licensed broker dealer approved by the *Commission de Contrôle des Activités Financières* (the "**CCAF**") pursuant to Law n° 1.338 of 7 September 2007.

A Dealer not established in Monaco may offer and sell Securities to institutional investors duly incorporated and licenced in the Principality of Monaco subject to strict compliance with Law n° 1.338 of 7 September 2007.

Each Dealer has represented and agreed that it will not undertake any unsolicited canvassing as prohibited by article 29 of Law n° 1.338 of 7 September 2007.

The Netherlands

For selling restrictions in respect of The Netherlands, see "European Economic Area" above and in addition:

(a) *Specific Dutch selling restriction for exempt offers*: Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it 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 The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:

(i) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or

(ii) standard exemption logo and wording are disclosed as required by article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**FSA**"); or

(iii) such offer is otherwise made in circumstances in which article 5:20(5) of the FSA is not applicable,

provided that no such offer of Securities shall require any 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 expressions (i) an "**offer of Securities to the public**" in relation to any Securities in The Netherlands; and (ii) "**Prospectus Directive**", have the meaning given to them above in the paragraph entitled "European Economic Area".

(b) *Regulatory capacity to offer Securities in The Netherlands*: Each Dealer under the Programme, and each further Dealer appointed 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 or, in the case of further Dealers, will be required to represent and agree 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.

Nicaragua

None of the Dealers, the Issuers or the Securities is 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, including the use of mass media and any other means of making a public offering, in a way that constitutes a public offer in accordance with the following legal instruments:

- Law No. 587 "*Ley de Mercado de Capitales*" (Stock Market Law);

- Resolution No. CD-SIBOIF-692-1-SEP7-2011 "*Norma sobre Oferta Pública de Valores en Mercado Primario*" (Rule on Public Offer of Securities in the Primary Market);

- Resolution No. CD-SIBOIF-692-2-SEP7-2011 "*Norma sobre Negociación de Valores en Mercado Secundario*" (Rule on Negotiation of Securities in the Secondary Market);

- Resolution No. CD-SIBOIF-618-2-MAR9-2010 "*Norma Sobre Organización y Funcionamiento del Registro de Valores de la Superintendencia de Bancos y de Otras Instituciones Financieras*" (Rule on the Organisation and Functioning of the Securities Registry of the Superintendence of Banks and Other Financial Institutions);

- Resolution No. CD-SIBOIF-561-1-NOV19-2008 "*Norma sobre Oferta Pública de Adquisición*" (Rule on Public Offer for Acquisitions); and,

- Resolution No. CD-SIBOIF-556-2-OCT15-2008 "*Norma sobre Publicidad en el Mercado de Valores*" (Rule on Securities Market Publicity).

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 with 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, provided that item (b) under "European Economic Area" shall be replaced with the following:

"(b) to "professional investors" as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876".

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 Rules Governing Derivatives Activities 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 has 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, constitutes an offer or solicitation of an offer to subscribe, purchase or sell the Securities in the PRC or 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 under the Securities Regulation Code of the Philippines. Any offer or sale thereof within the Philippines is subject to the registration requirement under the Securities Regulation Code, unless such offer or sale qualifies as an exempt transaction thereunder.

Poland

For selling restrictions in respect of Poland, please see "European Economic Area" above, provided that item (b) under "European Economic Area" shall be replaced with the following:

"(b) at any time to any legal entity which is a qualified investor as defined in Article 8 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies of 29 July 2005 (as amended);"

Portugal

For selling restrictions in respect of Portugal, please see "European Economic Area" above and in addition:

Each Dealer has agreed that:

(a) no document, circular, advertisement or any offering material in relation to the Securities has been or will be subject to approval by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*, the "**CMVM**");

(b) it has not, without the prior approval of the CMVM, directly or indirectly taken any action or offered, advertised, submitted to an investment gathering procedure, sold or delivered and will not, without the prior approval of the CMVM, directly or indirectly offer, advertise, submit to an investment gathering procedure, sell, re-sell, re-offer or deliver any Securities in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliários*, the "**CVM**");

(c) it has not, directly or indirectly, distributed and will not, directly or indirectly, distribute to the public in the Republic of Portugal the Base Prospectus or any document, circular, advertisements or any offering material in relation to the Securities, without the prior approval of the CMVM; and

(d) it will comply with all applicable provisions of the CVM and any applicable CMVM regulations and all relevant Portuguese laws and regulations, in any such case that may be applicable to it in respect of any offer or sales of Securities by it in the Republic of Portugal.

Each Dealer has represented and agreed that it shall comply with all applicable laws and regulations in force in the Republic of Portugal and with the Prospectus Directive regarding the placement of any Securities in the Portuguese jurisdiction or to any entities which are resident in the Republic of Portugal, including the publication of a prospectus, when applicable, and that such placement shall only be authorised and performed to the extent that there is full compliance with such laws and regulations.

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.

Slovakia

For selling restrictions in respect of Slovakia, please see "European Economic Area" above.

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 "passported" 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 the relevant Final Terms specify that the Securities are not publicly offered in or from Switzerland:

(a) 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); and

(b) 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 September 2011) and the Swiss Collective Investment Schemes Ordinance (in its version of 15 July 2011) 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

(A) the asset manager is deemed a financial intermediary within the meaning of the Swiss Anti-Money Laundering Act;

(B) 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

(C) 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

No invitation will be made to the public in Thailand to subscribe for the Securities. The Securities may not be offered or sold, directly or indirectly, within Thailand to any person. This document has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this document and any other documents and material in connection with the arrangement of procuring or offering the Securities that are provided to the investor by request of the investor may not be circulated or distributed, nor may the Securities be offered or sold in Thailand, or be made the subject of an invitation for subscription or purchase in Thailand, whether directly or indirectly, to the public or any members of the public.

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 the 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/44 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 No III/44 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

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Securities to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**DFSA**"); and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

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 JPMSP, 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 JPMSP, 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 JPMSP 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

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 and the securities to be delivered upon redemption or exercise of the Securities, if any, have not been and will not be registered under the Securities Act, or any state securities laws. 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 has not been approved by 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. The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee have not been registered under the rules of the OCC. The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee may also be offered or sold in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(2) thereof and will be offered and sold pursuant to an exemption from the registration requirements of the OCC (including, in the case of offers or sales outside the United States, in compliance with Regulation S as such regulation is incorporated into the regulations of the OCC pursuant to 12 C.F.R. Section 16.5(g)). Neither the SEC nor any state securities commission has approved or disapproved of the Securities, the JPMorgan Chase Bank, N.A. Guarantee and the JPMorgan Chase & Co. Guarantee or determined that this Base Prospectus is accurate or complete. Any representation to the contrary is a criminal offence. The OCC has not approved or disapproved of the Securities issued by JPMorgan Chase Bank, N.A. or the JPMorgan Chase Bank, N.A. Guarantee or determined that this Base Prospectus is accurate or complete. Neither JPMSP nor JPMBD has registered, and neither intends to register, as an investment company under the Investment Company Act. Accordingly, the Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A) may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, pledged, assigned, delivered, redeemed or otherwise transferred or exercised at any time within the United States or to, or for the account or benefit of, any U.S. Person. In this Base Prospectus, the term "U.S. Person" means (unless otherwise specified herein with regard to Regulation S/Rule 144A Warrants) any person which is a "U.S. person" as defined in Rule 902(k) of Regulation S or a "United States person" as defined in section 7701(a)(30) of the Code and Treasury regulations thereunder (as may be amended from time to time), as the context requires. Hedging transactions involving "equity securities" of "domestic issuers" (as each such term is defined in the Securities Act and regulations thereunder) may only be conducted in compliance with the Securities Act.

The Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A) 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 or Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A, 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 or to, or for the account or benefit of, any U.S. Person. In respect of Regulation S/Rule 144A Warrants, 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 such Warrants, 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 Warrants at any time, (a) directly or indirectly within the United States or to, or for the account or benefit of, any U.S. Person, except in accordance with the restrictions specified in the section entitled "Transfer Restrictions" or (b) except to non-U.S. Persons in "offshore transactions" in accordance with 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 Regulation S/Rule 144A Warrants, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. 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 or Regulation S/Rule 144A Warrants offered or sold in accordance with Rule 144A 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 except in accordance with 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 and the preceding paragraph (other than the term "U.S. Person" as defined above) have the meanings given to them under 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 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 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 to, or for the account or benefit of, any U.S. Person.

In addition, until 40 days after the commencement of the offering of 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 and offer or sale of the Securities or the Guarantee within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

Each holder and legal and beneficial owner will be deemed on purchase to agree that the relevant Issuer, the Guarantor (in relation to Securities issued by JPMSP, JPMBD and JPMI), the Relevant Programme Agent, the Registrar, the Arranger, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the acknowledgements, representations and agreements made by such holder and legal and beneficial owner (as applicable) in this Base Prospectus.

Securities other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A

The Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A) 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 and Regulation S/Rule 144A Warrants being offered or sold in accordance with Rule 144A), as a condition to purchasing such Security or any legal or beneficial interest therein, will be deemed to represent on purchase that (A) 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 and (B) it shall not offer, sell, deliver, pledge, assign, redeem, exercise 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.

Rule 144A Securities

Each holder and each legal and beneficial owner of Rule 144A Securities, as a condition to purchasing such Securities or any legal or beneficial interest therein, will (1) in the case of Notes in definitive form or in the case of Certificates or Warrants (in any form), enter into and remain in compliance with an Investor Letter of Representations in which it will represent that, or (2) in the case of Notes in global form, be deemed to represent on purchase that, (A) it is a QIB and also an Eligible Investor (each as defined in "Transfer Restrictions" below) at the time of the acquisition and is otherwise in compliance with Rule 144A and (B) it shall not 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 unless such person is a QIB and also an Eligible Investor at the time of the acquisition and is otherwise in compliance with Rule 144A. See "Transfer Restrictions" below.

Regulation S/Rule 144A Warrants

Each holder and each legal and beneficial owner of Regulation S/Rule 144A Warrants, as a condition to purchasing such Warrants or any legal or beneficial interest therein, will be obliged to enter into and remain in compliance with an Investor Letter of Representations in which it will represent on purchase that, unless such person is a QIB and also an Eligible Investor (each as defined in "Transfer Restrictions" below) at the time of the acquisition and is otherwise in compliance with Rule 144A, (A) neither it nor any person for whose account or benefit such Warrants are being purchased (i) is located in the United States, (ii) is a U.S. Person or (iii) was solicited to purchase such Warrants while present in the United States, (B) it is a "qualified investor", as defined in the Prospectus Directive, or any other purchaser that is approved by the Dealer from time to time and (C) it shall not offer, sell, deliver, pledge or otherwise transfer any of such Warrants or any interest therein at any time, directly or indirectly, in the United States or to any U.S. person (as such term is defined in Rule 902(k) of Regulation S) unless such person is a QIB and also an Eligible Investor at the time of the acquisition and otherwise in compliance with Rule 144A. See "Transfer Restrictions" below.

All Warrants

With respect to all Warrants, each holder and each legal and beneficial owner of a Warrant will be deemed to agree on purchase that such person shall not engage in hedging transactions with regard to the Warrants unless in compliance with the Securities Act.

All Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants) upon exercise or redemption of which equity securities may be deliverable

Upon purchase of all Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants) upon exercise or redemption of which equity securities may be deliverable, each holder and each legal and beneficial owner of such Securities is deemed to have represented and agreed that:

(i) it will not exercise or redeem the Securities, and it understands and acknowledges that the securities to be delivered upon exercise or redemption may not be delivered, within the United States or for the account or benefit of a U.S. Person;

(ii) it will only engage in hedging transactions with respect to the Securities and the securities to be delivered upon exercise or redemption of the securities in compliance with the Securities Act; and

(iii) it understands and acknowledges that the Securities will bear a legend setting out the applicable selling restrictions under the Securities Act and the representations it is deemed to have made as a condition to purchasing such Security or any legal or beneficial interest therein.

ERISA Restrictions

Each Security must comply with the legends and restrictions described in "Transfer Restrictions – ERISA Legends and ERISA Restrictions" below.

Transfer Restrictions

Each Rule 144A Security and Regulation S/Rule 144A Warrant is subject to the Transfer Restrictions set forth in the section entitled "Transfer 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 Superintendence (*Superintendencia Nacional de Valores* -"**SNV**"). 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 SNV in accordance with the relevant provisions of the Securities Markets Law of 5 November 2010 (*Ley de Mercado de Valores*) 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 SNV.

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 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.

TRANSFER RESTRICTIONS

The Securities (including Rule 144A Securities and Regulation S/Rule 144A Warrants) 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 and the securities to be delivered upon redemption or exercise of the Securities, if any, have not been and will not be registered under the Securities Act, or any state securities laws. 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 has not been approved by the U.S. Commodity Futures Trading Commission under the U.S. Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"). The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee have not been registered under the rules of the OCC. The Securities issued by JPMorgan Chase Bank, N.A. and the JPMorgan Chase Bank, N.A. Guarantee may also be offered or sold in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(2) thereof and will be offered and sold pursuant to an exemption from the registration requirements of the OCC (including, in the case of offers or sales outside the United States, in compliance with Regulation S as such regulation is incorporated into the regulations of the OCC pursuant to 12 C.F.R. Section 16.5(g)). The 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. Hedging transactions involving "equity securities" of "domestic issuers" (as each such term is defined in the Securities Act and regulations thereunder) may only be conducted in compliance with the Securities Act. Securities (other than Rule 144A Securities and Regulation S/Rule 144A Warrants) are being offered and sold pursuant to an exemption from registration under the Securities Act provided by Regulation S and may not be legally or beneficially owned by any U.S. Person at any time nor offered, sold, pledged, assigned, delivered, transferred, exercised or redeemed at any time within the United States or to, or for the account or benefit of, U.S. Persons. Rule 144A Securities and Regulation S/Rule 144A Warrants are being offered and sold pursuant to Rule 144A under the Securities Act to QIBs that are also Eligible Investors (as defined below) at the time of the acquisition and are otherwise in compliance with Rule 144A. Additionally, Regulation S/Rule 144A Warrants are being offered and sold to non-U.S. Persons that have entered into and remain in compliance with the relevant Investor Letter of Representations (as defined below under "Investor Letter of Representations/Deemed Representations") with respect to their purchases of Regulation S/Rule 144A Warrants in "offshore transactions" in accordance with Rule 903 of Regulation S under the Securities Act. As used in this section, the term "U.S. Person" means (i) in respect of any Regulation S/Rule 144A Warrants, any person which is a "U.S. person" as defined in Rule 902(k) of Regulation S (as may be amended from time to time) or (ii) in respect of any Securities other than Regulation S/Rule 144A Warrants, any person which is a "U.S. person" as defined in Rule 902(k) of Regulation S (as may be amended from time to time) or any person which is a "United States person" as defined in section 7701(a)(30) of the Code and Treasury regulations thereunder (as may be amended from time to time, as the context requires.

In addition to the transfer restrictions (the "**Transfer Restrictions**") described in this section, the distribution restrictions imposed by this Base Prospectus and the relevant Final Terms in certain jurisdictions and the offering or sale of Securities to which the relevant Final Terms relates in such 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 Securities in any jurisdiction where such offer or solicitation would violate the laws of such jurisdiction.

Eligible Investors

"**Eligible Investors**" are qualified institutional buyers ("**QIBs**") (as defined in Rule 144A under the Securities Act) that:

(a) are also ECPs (as defined below);

(b) in the case of Rule 144A Securities issued by JPMSP or JPMBD and Regulation S/Rule 144A Warrants issued by JPMSP are qualified purchasers ("**QPs**") (as defined in Section 2(a)(51) and related rules under the Investment Company Act);

(c) in the case of Rule 144A Securities issued by JPMSP or JPMBD and Regulation S/Rule 144A Warrants issued by JPMSP are also (a) major U.S. institutional investors ("**MUSIV**") (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 (as defined in the General Conditions); and

(d) in the case of (1) all Regulation S/Rule 144A Warrants and (2) Rule 144A Securities which are:

(i) (A) Notes held in definitive form or (B) Certificates or Warrants (in definitive or global form), have entered into and have remained in compliance with the relevant Investor Letter of Representations (as defined below under "Investor Letter of Representations/ Deemed Representations") with respect to their purchases of Securities; or

(ii) Rule 144A Notes represented by a Global Security, have remained in compliance with the representations for the benefit of the Dealer, the relevant Issuer and (if applicable) the Guarantor (together with their respective affiliates and control persons) that such beneficial holders are deemed to have made by virtue of holding such Rule 144A Securities subject to the Transfer Restrictions herein and as described below with respect to their purchases of such Securities.

ECPs

An "**ECP**" means an "eligible contract participant" as defined in Section 1(a)(12) of the Commodity Exchange Act. 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 or Regulation S/Rule 144A Warrants in the conduct of their business) and individuals that have accounts invested on a discretionary basis of U.S.$10 million in the aggregate (or U.S.$5 million in the aggregate and who are acquiring Rule 144A Securities or Regulation S/Rule 144A Warrants 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 and formed and operated by a person subject to regulation under the Commodity Exchange Act or a foreign person performing a similar role or function subject as such to foreign regulation (but excluding any commodity pool in which any participant is not otherwise an eligible contract participant);

(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 and certain foreign broker-dealers;

(i) a futures commission merchant subject to regulation under the Commodity Exchange Act and certain foreign futures commission merchants;

(j) a floor broker or floor trader subject to regulation under the Commodity Exchange Act; and

(k) an individual who has amounts invested on a discretionary basis, the aggregate of which is 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 / Deemed Representations

Purchasers and subsequent transferees of (1) all Regulation S/Rule 144A Warrants and of (2) Rule 144A Securities which are:

(i) (A) Notes held in definitive form or (B) Certificates or Warrants (in definitive or global form), will be required to execute and deliver to the Dealer for the benefit of the Dealer, the relevant Issuer and (if applicable) the Guarantor (together with their respective affiliates and control persons), a letter of representations (such letter, for the benefit of such parties, an "**Investor Letter of Representations**") prior to agreeing to purchase any such instruments; and

(ii) Rule 144A Notes represented by a Global Security, will be deemed to have made the representations and warranties set forth in the form of Investor Letter of Representations below as of the time of their entering into any commitment to purchase any such Rule 144A Securities or Regulation S/Rule 144A Warrants.

The Investor Letter of Representations will be in the form approved by the Dealer. The Investor Letter of Representations shall (unless otherwise required by the Dealer in relation to any particular Securities) contain, among other representations, the purchaser representations set out below.

The types of representations that may be included in the Investor Letter of Representations include the purchaser representing that:

(a) it has all requisite power and authority to enter into the Investor Letter of Representations and that the Investor Letter of Representations has been duly authorized (save for where these acknowledgements, representations, warranties and agreements are being made on a deemed basis only), validly executed and delivered by it, and that such 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) if purchasing for allocation to one or more accounts or ultimate purchasers, it is acting as the duly authorized agent and/or the advisor with discretionary investment authority for such accounts or purchasers; it has all requisite agency or discretionary investment power and authority to enter into the Investor Letter of Representations on behalf of such accounts and/or ultimate purchasers, and that the representations herein contained are true and correct as they apply to each of such accounts or ultimate purchasers at the time the commitment to purchase is undertaken;

(c) it has received copies of the Base Prospectus and such other information as it deems necessary to make its investment decision and that it has read and understands all such information, including information contained in the relevant Final Terms (or has been afforded the

opportunity to obtain such documents and information and has not taken the opportunity to do so);

(d) if purchasing securities which have been issued prior to the purchaser's date of purchase which the Dealer (or any affiliate or subsidiary of the Dealer) has been holding from time to time on its own account ("**Inventory Securities**"), it acknowledges and accepts that (a) disclosure in relation to the Reference Assets to which the relevant Inventory Securities may be linked as set forth in the Final Terms will have been extracted by the Issuer from such publicly available sources but will not have been prepared by, or on behalf of, and will not have been verified by, or on behalf of, the Issuer, the Guarantor (if applicable) or the Dealer or any of their affiliates (the Issuer, the Guarantor, the Dealer and any of their affiliates, together the "**JPMorgan Affiliates**"), (b) the JPMorgan Affiliates will have disclaimed any responsibility for such information, and such information will be out of date and none of the JPMorgan Affiliates shall provide any updated information thereon, and (c) any sale of Inventory Securities shall not, under any circumstances, create any implication whatsoever that there has been no change in the situation or condition of the Issuer or the Guarantor, or no change in Reference Assets since the date of the Final Terms, which might have an adverse effect on the pay-out and/or value of the relevant Inventory Securities;

(e) it acknowledges and agrees that the Securities (the return of which is linked to the relevant Reference Asset) have been chosen by the purchaser, without solicitation or advice by the Issuer, Guarantor or Dealer, based on the purchaser's own independent investigation of the Reference Asset (or any related asset or instrument) and Security, and in connection with such investigation it has not relied on the Issuer, the Guarantor, the Dealer or any of their respective affiliates, representatives or agents;

(f) it understands that the investment in a Security (particularly where linked to a Reference Asset) 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 may result in a loss of the entire investment and the purchaser acknowledges and agrees that it has a valid business purpose for acquiring the Security, and has concluded (if necessary, in conjunction with its own legal, tax, accountancy, regulatory, investment or other professional advisers) that its investment in Securities is suitable in light of its own investment objectives, financial capabilities and expertise;

(g) it understands that the initial sale and any subsequent transfer of the Securities to it, for its own account, or for the account of one or more other buyers are subject to certain restrictions and conditions set out in this Base Prospectus and the Securities (including the legends thereon) and that it agrees that it meets and is bound by, and will not resell, pledge or otherwise transfer the Securities except in compliance with such restrictions and conditions including the conditions specified in the applicable legend contained in paragraph (i) below;

(h) if the purchaser is acquiring Securities which are either (i) offshore derivative instruments ("**ODIs**") or (ii) PRC Access Securities, then prior to such acquisition, the purchaser shall execute and deliver to the Dealer a further letter of representations, warranties and undertakings as prescribed by the Dealer with respect to such Securities in the form set out below under "Representations relating to Securities which are offshore derivative instruments ("**ODIs**")" or "Representations relating to Securities which are PRC Access Securities", respectively;

(i) it understands and acknowledges that:

(i) Rule 144A Securities issued by JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. will bear a legend 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 WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREES; (C) 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); (D) IT IS AN "ELIGIBLE CONTRACT PARTICIPANT", AS DEFINED IN THE U.S. COMMODITIES EXCHANGE ACT, AS AMENDED; (E) IT HAS ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS (OR, IF THIS SECURITY IS A NOTE REPRESENTED BY A GLOBAL SECURITY, THEN IT SHALL BE DEEMED TO HAVE ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS) FOR THE BENEFIT OF THE DEALER AND THE RELEVANT ISSUER AND (TOGETHER WITH THEIR RESPECTIVE AFFILIATES AND CONTROL PERSONS) AND REMAINS IN COMPLIANCE THEREWITH; (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 TO OR THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (A) THROUGH (E) ABOVE, WHO MAKE 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, (iii) A PARTY TO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS IN COMPLIANCE WITH CLAUSE (E) ABOVE AND (iv) 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.

(ii) Rule 144A Securities issued by J.P. Morgan Structured Products B.V. ("**JPMSP**") or J.P. Morgan Bank Dublin plc ("**JPMBD**"), will bear a legend as determined by the relevant Issuer, and 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) AND RELATED RULES UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940 (THE "**INVESTMENT COMPANY ACT**"); (C) IT WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE; (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 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; (G) IT HAS ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS (OR, IF THIS SECURITY IS A NOTE REPRESENTED BY A GLOBAL SECURITY, THEN IT SHALL BE DEEMED TO HAVE ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS) FOR THE BENEFIT OF THE DEALER, THE RELEVANT ISSUER AND (IF APPLICABLE) THE GUARANTOR (TOGETHER WITH THEIR RESPECTIVE AFFILIATES AND CONTROL PERSONS) AND REMAINS IN COMPLIANCE THEREWITH; (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 TO OR THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (A) THROUGH (G) ABOVE, WHO MAKE 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 MUSIV OR A QUALIFIED OFFSHORE CLIENT, (iv) A PARTY TO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS IN COMPLIANCE WITH CLAUSE (H) ABOVE AND (v) 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.

(iii) Regulation S/Rule 144A Warrants will bear a legend as determined by the relevant Issuer, substantially to the following effect:

THIS WARRANT, THE GUARANTEE IN RESPECT HEREOF AND THE SECURITIES TO BE DELIVERED UPON EXERCISE HEREOF, IF ANY, 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 WARRANT NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED OR EXERCISED OR REDEEMED, EXCEPT:

(I) (1) PURSUANT TO THE REGISTRATION EXEMPTION CONTAINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**") EXCLUSIVELY TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON WHO (A) IS NOT A U.S. PERSON, (B) IS NOT ACTING FOR OR ON BEHALF OF A U.S. PERSON, (C) IS ACQUIRING THIS WARRANT IN AN

OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S, AND (D) IS EITHER (I) A "QUALIFIED INVESTOR" AS DEFINED IN DIRECTIVE 2003/71/EC (WHEN AND AS AMENDED BY DIRECTIVE 2010/73/EU), OR (II) ANY OTHER PURCHASER THAT IS APPROVED BY THE DEALER FROM TIME TO TIME) OR (2) 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 (THE "**INVESTMENT COMPANY ACT**"); (C) IT IS AN "ELIGIBLE CONTRACT PARTICIPANT" (AS DEFINED IN THE U.S. COMMODITIES EXCHANGE ACT, AS AMENDED); (D) 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; AND

(II) WHERE THE PURCHASER THEREOF (A) WILL PROVIDE NOTICE OF APPLICABLE TRANSFER RESTRICTIONS TO ANY SUBSEQUENT TRANSFEREE; (B) IS PURCHASING SOLELY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNTS OF ONE OR MORE NON-U.S. PERSONS (IN THE CASE OF CLAUSE (I)(1) ABOVE) OR ONE OR MORE QIBs (IN THE CASE OF CLAUSE (I)(2) ABOVE) AS TO EACH OF WHICH IT ACTS AS DULY AUTHORISED AGENT AND/OR EXERCISES SOLE INVESTMENT DISCRETION AND FOR EACH OF WHICH IT HAS FULL POWER TO MAKE THE ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS SET FORTH IN EITHER CLAUSES (I)(1) OR (I)(2); (C) HAS ENTERED INTO THE RELEVANT INVESTOR LETTER OF REPRESENTATIONS FOR THE BENEFIT OF THE ISSUER, THE GUARANTOR, THE ARRANGER AND THE DEALER AND REMAINS IN COMPLIANCE THEREWITH; (D) 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 (E) 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 (W) TO THE ISSUER OR THE DEALER, (X) IN ACCORDANCE WITH REGULATION S IN A TRANSACTION THAT MEETS ALL THE REQUIREMENTS OF CLAUSES (I)(1) ABOVE AND THIS CLAUSE (II), TO A PERSON WHO MAKES THE ACKNOWLEDGMENT IN CLAUSE (II)(D) ABOVE AND WHO MAKES AN UNDERTAKING TO THE EFFECT OF THIS CLAUSE (II)(E), OR (Y) IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND IN ACCORDANCE WITH RULE 144A EXCLUSIVELY TO OR THROUGH THE ISSUER OR THE DEALER TO PERSONS WHO MEET ALL OF THE REQUIREMENTS OF CLAUSES (I)(2) ABOVE AND THIS CLAUSE (II), WHO MAKE THE ACKNOWLEDGMENT IN CLAUSE (II)(D) ABOVE AND WHO MAKE AN UNDERTAKING TO THE EFFECT OF THIS CLAUSE (II)(E).

ANY PLEDGE, SALE OR OTHER TRANSFER OF THIS WARRANT EFFECTED OTHERWISE THAN EITHER IN AN OFFSHORE TRANSACTION SOLELY TO OR FOR THE BENEFIT OF A PERSON WHO SATISFIES THE CONDITIONS OF CLAUSE (I)(1) OR TO OR THROUGH THE ISSUER OR THE DEALER TO A PERSON THAT SATISFIES THE CONDITIONS IN CLAUSE (I)(2) ABOVE AND IN EITHER CASE SATISFIES THE CONDITIONS IN CLAUSE (II) 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. AS USED HEREIN, THE TERMS

"OFFSHORE TRANSACTION", "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM UNDER REGULATION S.

HEDGING TRANSACTIONS INVOLVING THIS WARRANT MAY NOT BE CONDUCTED EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT.

and, as a holder of a Rule 144A Security or a Regulation S/Rule 144A Warrant, it agrees to comply with all terms and restrictions specified in such applicable legend.

(j) it will provide notice of applicable transfer restrictions to any subsequent transferees of Securities;

(k) 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) it does not have, at the time it purchases or receives Securities of any Series or at the time it resells, transfers, exercises or redeems Securities, any material, non-public information regarding the relevant issuer of the Reference Asset (if any);

(m) it agrees that the Securities are not secured by any interest in any property or assets of any kind whatsoever, that the purchaser does not acquire any interest in or right to acquire, or rights associated with holding any Reference Asset (including voting rights, if any) by virtue of holding any Security, that neither the Issuer nor the Guarantor or any entity acting for the Issuer or Guarantor is obliged to hold or sell the relevant Reference Asset, and that this disclaimer of any interest or claim to the relevant Reference Asset (if any) is itself an integral term of the Securities;

(n) it acknowledges that in respect of any sale or purchase of Regulation S/Rule 144A Warrants by the Dealer where J.P. Morgan Securities Limited is acting as Dealer and JPMS is acting as agent of the Dealer in connection with such sale or purchase, JPMS will act solely as agent of the Dealer and it agrees to proceed solely against the Dealer, and not JPMS, in seeking enforcement of its rights and obligations with respect to the performance of such sale or purchase of Regulation S/Rule 144A Warrants, including its rights and obligations with respect to any payment or delivery of Regulation S/Rule 144A Warrants in connection with any such sale or purchase;

(o) in respect of any sale or purchase of Regulation S/Rule 144A Warrants by the Dealer where J.P. Morgan Securities Limited is acting as Dealer and JPMS is acting as agent of the Dealer in connection with such sale or purchase, it requests JPMS to discontinue physical delivery of trade confirmations produced pursuant to SEC Rule 10b-10 for all its accounts (as specified in the form agreed between it and JPMS) and to request electronic mail delivery (e-mail) of such trade confirmations to certain email accounts as specified from time to time. It agrees to notify the Dealer and JPMS in writing of any updates to its e-mail addresses or if it wishes to resume physical delivery of such trade confirmations. It also acknowledges that it has been notified by the Dealer and JPMS that the contents of messages sent via e-mail are not protected against either being viewed or altered in transmission without the sender or receiver's knowledge, and that the Dealer and JPMS cannot be responsible for guaranteeing message content, integrity or timeliness although the Dealer and JPMS will make reasonable efforts to ensure that the information as delivered is sent to the correct recipient;

(p) in respect of any sale or purchase of Regulation S/Rule 144A Warrants by the Dealer where J.P. Morgan Securities Limited is acting as Dealer and JPMS is acting as agent of the Dealer in connection with such sale or purchase, pursuant to NASD Rule 2340(b) it relieves JPMS of its obligation to provide to it quarterly account statements pursuant to NASD Rule 2340(a). It acknowledges that: (i) its account(s) is/are carried solely for the purpose of execution of Regulation S/Rule 144A Warrants on a delivery versus payment/receive versus payment ("**DVP/RVP**") basis; and (ii) all sales or purchases of Regulation S/Rule 144A Warrants effected for its account(s) are done on a DVP/RVP basis. JPMS undertakes to provide any particular statement or statements it promptly upon request and to promptly reinstate the delivery of such statements to it upon request;

(q) it is not:

(1) 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; or

(2) 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, as amended (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;

(r) if it is holding Regulation S/Rule 144A Warrants, it agrees, if requested by the Issuer, to certify that when it purchased such Regulation S/Rule 144A Warrants, it purchased the Regulation S/Rule 144A pursuant to either or both of (i) Rule 144A under the Securities Act, as amended; or (ii) the registration exemption contained in Regulation S under the Securities Act;

(s) if it is purchasing a Regulation S/Rule 144A Warrant or a Rule 144A Security and if it (or any ultimate purchaser):

(i) is not a "United States person" within the meaning of section 7701(a)(30) of the U.S. Internal Revenue Code (the "**Code**"), it certifies that it (and any ultimate purchaser) is not a United States person within the meaning of section 7701(a)(30) of the Code and upon written request of the relevant Issuer, the Guarantor (if any) or Dealer, it will provide to the relevant Issuer the applicable IRS Form W-8 or other certification of its (and any ultimate purchaser's) nationality, residence and identity as prescribed by applicable Treasury regulations; or

(ii) is a "United States person" within the meaning of section 7701(a)(30) of the Code:

(a) it certifies that it (and any ultimate purchaser) is a "United States person" within the meaning of section 7701(a)(30) of the Code;

(b) it represents that it (and any ultimate purchaser) is not investing in the Security as part of a tax avoidance plan and will reflect payments on the Security on its US tax return;

(c) with respect to any Rule 144A Security in definitive form or any Regulation S/Rule 144A Warrant, it shall provide the complete name (as shown on its U.S. tax return), complete address and tax identification number in respect of itself and any ultimate purchaser that is a "United States person" within the meaning of section 7701(a)(30) of the Code for whom it may be acting as a duly authorised agent (as appropriate); and

(d) it certifies that it (and any ultimate purchaser) has not been notified by the U.S. Internal Revenue Service that it is subject to backup withholding as a result of a failure to report all interest or dividends;

(t) 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 Securities pursuant to the 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; and

(u) it makes the acknowledgements, representations, warranties and agreements in relation to the applicable Securities as set forth in section (a), (b) or (c), as applicable, in "ERISA Legends and ERISA Restrictions" below, and such applicable section shall be set out in full or deemed to be set out in full (as applicable) in the relevant Letter of Representations (if any).

ERISA Legends and ERISA Restrictions

Each purchaser of any Securities hereunder shall be deemed to make the following acknowledgements, representations, warranties and agreements in relation to the applicable Securities as set forth below (and the applicable acknowledgements, representations, warranties and agreements shall be set out in each Investor Letter of Representations):

(a) *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., each purchaser acknowledges, represents, warrants and agrees with the following:

(i) 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) 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.

(b) *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:

(i) 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.

(ii) 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) 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.

(c) *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 that such Security does not constitute an equity interest for purposes of ERISA), it acknowledges, represents, warrants and agrees with the following:

(i) 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.

(ii) 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 that such Security does not constitute an equity interest for purposes of ERISA) 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.

The following additional letter of representations will be given by each purchaser of ODIs:

Representations relating to Securities which are offshore derivative instruments ("ODIs")

For the purposes hereof, the following terms shall have the following meanings:

(a) "**Non-resident Indian**" as such term is defined in Section 2(vi) of the 2000 Regulations as notified by the Reserve Bank of India means a Person Resident Outside India who is a citizen of India or is a Person of Indian Origin.

(b) "**Person of Indian Origin**" as such term is defined in Section 2(xii) of the 2000 Regulations as notified by the Reserve Bank of India means a citizen of any country other than Bangladesh or Pakistan, if:

(i) he at any time held an Indian passport; or

(ii) he or either of his parents or any of his grand-parents was a citizen of India by virtue of the Constitution of India or the Indian Citizenship Act, 1955 (57 of 1955); or

(iii) the person is a spouse of an Indian citizen or a person referred to in sub-clause (i) or (ii).

(c) "**Person**" as the term is defined in Section 2(u) of the Indian Foreign Exchange Management Act, 1999 includes:

(i) an individual;

(ii) a Hindu Undivided Family;

(iii) a company;

(iv) a firm;

(v) an association of persons or a body of individuals, whether incorporated or not;

(vi) every artificial juridical person, not falling within any of the preceding sub-clauses, and

(vii) any agency, office or branch owned or controlled by such person.

(d) "**Person Resident in India**" as the term is defined in Section 2(v) of the Indian Foreign Exchange Management Act, 1999 means:

(i) a Person residing in India for more than one hundred and eighty two (182) days during the course of the preceding financial year but does not include:

(A) a Person who has gone out of India or who stays outside India in either case:

(1) for on taking up employment outside India;

(2) for carrying on outside India a business or vocation outside India; or

(3) for any other purpose, in such circumstances as would indicate his intention to stay outside India for an uncertain period; or

(B) a Person who has come to or stays in India, in either case, otherwise than:

(1) for or on taking up employment in India;

(2) for carrying on in India a business or vocation in India; or

(3) for any other purpose, in such circumstances as would indicate his intention to stay in India for an uncertain period;

(ii) any Person or body corporate registered or incorporated in India;

(iii) an office, branch or agency in India owned or controlled by a Person Resident Outside India; or

(iv) an office, branch or agency outside India owned or controlled by a person resident in India.

(e) "**Person Resident outside India**" as the term is defined in Section 2(w) of the Indian Foreign Exchange Management Act, 1999 means a person who is not resident in India.

(f) "**Person regulated by an appropriate foreign regulatory authority**" as the term is defined under Explanation II to Regulation 15A of the FII Regulations means:

(i) any person that is regulated/supervised and licensed/registered by a foreign central bank;

(ii) any person that is registered and regulated by a securities or futures regulator in any foreign country or state;

(iii) any broad based fund or portfolio incorporated or established outside India or proprietary fund of a registered foreign institutional investor or university fund, endowment, foundation, charitable trust or charitable society whose investments are managed by a person covered by clauses (i), or (ii) above.

(g) "**Broad based fund**" as the term is defined in the Explanation to Regulation 6 of the FII Regulations means a fund, established or incorporated outside India, which has at least twenty investors, with no single individual investor holding more than forty nine per cent. of the shares or units of the fund. Provided that if the Broad based fund has institutional investor(s) it shall not be necessary for the fund to have twenty investors. Further, if the Broad based fund has an institutional investor who holds more than forty nine per cent. of the shares or units in the fund, then the institutional investor must itself be a Broad based fund.

For the purposes hereof, the term "**holder**" shall mean (i) the holder of the ODIs; or (ii) a person who has been approved by the Issuer or its associates/affiliates (acting in its sole and absolute discretion) as a permitted holder of ODIs (which may include but is not limited to any unit trust, fund or investment scheme (howsoever described) under the Purchaser's management which transacts or proposes to transact with the Issuer or its associates/affiliates in respect of the ODIs, including but not limited to, each entity as may be specified from time to time by the Issuer as an "Approved Entity", where such Approved Entity is the holder of the ODI.

Each purchaser (the "**Purchaser**") of any Securities which are ODIs, as such term is defined for the purposes 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 referred to as the "**FII Regulations**") shall be deemed to make the following acknowledgements, representations, warranties and agreements in relation to the such Securities as set forth below (and the applicable acknowledgements, representations, warranties and agreements shall be set out in an Investor Letter of Representations for the benefit of the Dealer, the Issuer and the Guarantor (if any)):

Notwithstanding any agreements between the Issuer and/or its associates/affiliates and the Purchaser or any regulatory rules applicable to the Issuer or the Issuer's associates/affiliates or to the Purchaser, in respect of ODIs held by the Purchaser or by an Approved Entity, the Purchaser represents, warrants, agrees and/or undertakes that on each date on which an ODI has been issued, purchased or agreed to be purchased and at all times until the maturity of the ODI or such other time as may be otherwise specified, for (i) the Purchaser, where it is the holder of the ODI; or (ii) the Purchaser and on behalf of every Approved Entity which holds the ODI:

(i) that the holder is not (i) a "Person Resident in India" (as such term is defined in the Foreign Exchange Management Act, 1999 as may be amended or supplemented from time to time), or, (ii) a "Non-resident Indian" (as such term is defined in the Foreign Exchange Management (Deposit) Regulations, 2000 as may be amended from time to time), (each a "**Restricted Entity**");

(ii) that the holder is not a person/entity whose controller is a Restricted Entity.

For the purposes of this paragraph (ii), a "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.

For the purposes of this paragraph (ii), "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 representation by reason only of it being able to control the decision-making in relation to the entity's financial, investment and/or operating policies;

(iii) that the ODI has been purchased or entered into and is being held by the holder as a principal for its own account and not as an agent, nominee, trustee or representative of any other person and that the holder has not entered into any agreement for the issuance of a "back-to-back ODI" against the ODI. For the purposes of this paragraph (iii), a "back-to-back ODI" shall not include the issue of any ODI issued by a holder who has disclosed the terms and parties to such back–to-back ODI in the form and manner prescribed by the Securities and Exchange

Board of India pursuant to the FII Regulations (in particular under Regulation 20A of the FII Regulations);

(iv) that the holder has not entered into the ODI transaction with the intent of circumventing or otherwise avoiding any requirements applicable under the FII Regulations (including, without limitation, any restrictions applying to foreign institutional investors in relation to their issuances and/or other dealings of ODIs with, Restricted Entities and Unregulated Entities (as defined herein);

(v) that the holder is a "person regulated by an appropriate foreign regulatory authority" (as such term and/or requirements relating thereto are defined or otherwise interpreted for the purposes of Regulation 15A of the FII Regulations) (a "**Regulated Entity**");

(vi) that the holder shall not, and shall ensure that none of its nominees, associates or affiliates shall sell, transfer, assign, novate or otherwise dispose of the ODIs to, or enter into any back-to-back ODIs or enter into an agreement with respect to any of the foregoing (each, a "**Transfer**") with, an entity which is a Restricted Entity or an entity which is not a Regulated Entity (an "**Unregulated Entity**"). For the purposes of paragraphs (vi) and (vii), a "back-to-back ODI" shall not include the issue of any ODI to be issued by a holder who makes monthly or periodic disclosure of ODI transactions to the Securities and Exchange Board of India and will disclose the terms and parties to such back-to-back ODI in the form and manner prescribed by the Securities and Exchange Board of India pursuant to the FII Regulations (in particular under Regulation 20A of the FII Regulations).

Save for any Transfer(s) to an Approved Entity or Pre-Approved Transferee as defined herein pursuant to paragraph (vii) below, prior to any Transfer being undertaken in respect of the ODIs:

(a) the holder shall issue a written notice ("Transfer Notice") to the Issuer in such form as the Issuer may determine for the purpose of obtaining the prior written consent of the Issuer or the Issuer's associates/affiliates, which consent may be provided or withheld by the Issuer or the Issuer's associates/affiliates acting in its sole and absolute discretion under this paragraph (vi);

(b) upon receipt of the Transfer Notice, the Issuer, its associates and affiliates shall have the right to require the person to whom the Transfer is proposed to be made ("**Proposed Transferee**") to provide, and the holder shall procure that the Proposed Transferee promptly provides the Issuer or the Issuer's associates/affiliates (as the case may be) with, all such information that the Issuer or the Issuer's associates/affiliates (as the case may be) may require under its client on-boarding programme, anti-money laundering programme or other such programme (as the case may be) (collectively, "**Client Identification Programme**"); and

(c) the Proposed Transferee shall issue a written undertaking ("Transferee Undertaking") to the Issuer in such form as the Issuer may determine.

For avoidance of doubt it is clarified that this paragraph (vi) shall not apply: (i) in the event the Transfer is pursuant to a buy-back of the ODIs by the Issuer or its associates/affiliates, or (ii) to the registration on behalf of the holder of any ODI in the name of any custodian, sub-custodian or nominee. Further, a Proposed Transferee who has obtained the written consent of the Issuer or its associates/affiliates in respect of a Transfer pursuant to this paragraph (vi) shall for the purposes hereof constitute a "**Pre-Approved Transferee**";

(vii) that the holder shall, in the case where it or its nominees, associates or affiliates sell, transfer, assign, novate or otherwise dispose of the ODIs to, or enter into any back-to-back ODIs or enter into an agreement with respect to any of the foregoing with, an Approved Entity or a Pre-Approved Transferee (each, an "**Approved Entity/Pre-Approved Transferee Transfer**") issue a written notice to the Issuer in such form as the Issuer may determine within two Hong Kong business days after the Approved Entity/Pre-Approved Transferee Transfer;

(viii) that the Issuer and its associates/affiliates are authorised to provide information in their possession regarding the holder, the Proposed Transferee, the nominees or associates/affiliates

of the holder and/or the Proposed Transferee, the ODI transaction and any breach of this notice to any Indian governmental or regulatory authorities (each an "**Authority**") as the Issuer or its associates/affiliates reasonably deems necessary or appropriate in order to comply with regulations or requests of such Authority from time to time, including but not limited to disclosures in periodic reportings made by the Issuer or its associates/affiliates to any Authority;

(ix) That the holder will and shall procure the nominees or associates/affiliates of the holder to, provide the Issuer or its associates/affiliates (as the case may be) promptly with such additional information that the Issuer or its associates/affiliates (as the case may be) reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time;

(x) That the holder acknowledges that non-compliance with, or breach, violation or contravention of, the obligations under this notice (including, without limitation, any restrictions with respect to a Transfer) ("**ODI Holder Obligations**") may result in non-compliance with, or breach, violation or contravention of, applicable laws, regulations, governmental orders or directions, regulatory sanctions against the Issuer and/or its associates/affiliates and cause irreparable harm to the Issuer and/or its associates/affiliates. Accordingly, the holder further acknowledges that, in the event of any non-compliance with, or breach, violation or contravention of the ODI Holder Obligations by the holder, the Issuer and/or its associates/affiliates may notify the Authority of the breach, violation or contravention and exercise any rights and take any measures available to it under the terms of the ODIs or this notice, or any other measures to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention, including but not limited to termination of the ODI transactions by the Issuer or its associates/affiliates;

(xi) That the Issuer and/or its associates/affiliates may, to the extent required to comply with applicable laws, regulations, notifications, circulars, rules, guidelines, clarifications, directions, orders and/or decrees issued by a governmental or regulatory authority, issue a written notice to the holder amending the terms of this notice and such written notice shall be effective and deemed agreed and accepted by the holder when issued;

(xii) that it shall promptly notify the Issuer or its associates/affiliates should any of the representations, warranties, agreements and undertakings given by it change or no longer holds true after the date of the Investor Letter of Representations;

(xiii) That the provisions of paragraphs (viii) to (xi) shall survive the termination of the ODIs which are the subject matter of these representations; and

(xiv) In the event the holder is an Approved Entity, it is duly authorized to provide the representations, warranties, agreements and undertakings in paragraphs (i) – (xii) on behalf of the Approved Entity and these representations, warranties, agreements and undertakings shall be binding and enforceable against the Approved Entity.

The following additional letter of representations will be given by each purchaser of PRC Access Securities:

Representations relating to PRC Access Securities

Each purchaser (whether acting on its own behalf or on behalf of each person for whose account or benefit it is holding one or more discretionary or similar accounts (each such account, an "**Account**" and the holder of such Account, an "**Accountholder**")) of any Securities which are linked to the value of listed securities in the People's Republic of China ("**PRC Reference Securities**") of various issuers (each, a "**PRC Reference Issuer**") (such Securities, the "**PRC Access Securities**") shall be deemed to make the following acknowledgements, representations, warranties and agreements in relation to the such PRC Access Securities as set forth below (and the applicable acknowledgements, representations, warranties and agreements shall be set out in each Investor Letter of Representations for the benefit of the Dealer, the Issuer and the Guarantor (if any)):

(i) it acknowledges that the Dealer will transact PRC Reference Securities in order to hedge the Issuer's obligations under the terms and conditions of the PRC Access Securities and that the counterparty to such transaction may incur Taxes in connection with such hedging activity.

For the purposes hereof, the following terms shall have the following meanings:

"**Tax**" or "**Taxes**" means capital gain, profit, or transactional taxes or similar levies and duties (but excluding any fees, fines penalties or similar charges which may be imposed on the Issuer or any of its affiliates due to its wilful default or neglect).

(ii) it acknowledges that the Dealer may not be able to determine the Taxes, if any, attributable to such transaction until a transaction in respect of the PRC Access Securities has terminated, settled or been unwound by the parties. If a transaction has terminated, settled or been unwound, and as a result of a Tax Decision and/or in relation to any hedging activity undertaking by the Dealer, Taxes are due and payable by the Dealer during the Applicable Tax Period to the relevant taxing or revenue authority on any payment or hedges relating to a PRC Access Security, the Dealer shall notify it of such Taxes no later than three months following the date on which the counterparty becomes aware of such Taxes. The Purchaser shall indemnify the counterparty to such transaction with respect to such Taxes (as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner). Such amount shall be paid to the Dealer in U.S. Dollars (or an equivalent amount in another currency mutually agreed with it) no later than ten Business Days following notice from the Dealer.

For the purposes hereof, the following terms shall have the following meanings:

"**Applicable Tax Period**" means any time from the relevant termination date or settlement date in respect of a PRC Access Security through the end of the fifth calendar year following such termination date or settlement date; and

"**Tax Decision**" means the adoption of, or any change in, any applicable law or regulation, or the interpretation by any court, tribunal or regulatory authority.

(iii) it understands that non compliance with, or breach or contravention of, the obligations under the Investor Letter of Representations (including, without limitation, any restrictions with respect to a Transfer as defined in (vi) below), (such obligations, the "**Holder Obligations**") may result in non compliance with, or breach or contravention of, applicable laws and regulations against the Dealer or its affiliates and cause irreparable harm to the Dealer or its affiliates. The holder further acknowledges and agrees that in the event of any non compliance with, or breach or contravention by it of the Holder Obligations, or in the event of requests by an authority for additional information, the Dealer may notify a PRC governmental or regulatory authority (an "**Authority**") of such breach and, to the extent permissible by applicable laws and regulations, exercise any rights and take any measures available to it under the terms of the PRC Access Securities or Investor Letter of Representations or any other measures (including but not limited to requests for additional information), to prevent, avoid, mitigate, remedy or cure such breach, including but not limited to termination of the PRC Access Securities by the Dealer;

(iv) neither it, nor any Accounts are resident or incorporated in the People's Republic of China ("**PRC**");

(v) it is not purchasing the PRC Access Securities as a trustee of, or in a fiduciary capacity to, a PRC resident, a PRC incorporated entity or domestic entity or any affiliate thereof as defined under the PRC Regulations on Foreign Exchange Administration Decree No. 532; and no such entity shall be the beneficial owner or holder of the PRC Access Securities purchased by it;

(vi) it will not and will ensure that none of its nominees or associates shall Transfer, assign, novate or otherwise dispose of the legal or beneficial interest in any PRC Access Security or enter into any back-to-back derivative transactions or agreements with respect to PRC Reference Securities (each, a "**Transfer**") to any person or entity (unless such Transfer is being made to an Account as defined above) without the express prior written consent of the Dealer. Prior to any Transfer being undertaken in respect of PRC Access Securities:

(a) it shall obtain the Dealer's prior written consent, which consent may be provided or withheld in the Dealer's sole and absolute discretion under this paragraph (vi);

(b) it shall issue a written notice ("**Transfer Notice**") to the Issuer in the form specified by the Issuer from time to time and ensure that the proposed transferee is provided with a true copy of the final terms relating to the PRC Access Securities; and

(c) upon receipt of the Transfer Notice, the Dealer shall have the right to require the proposed transferee to provide, and the Holder shall procure that the proposed transferee promptly provides the Dealer with: (1) all such information that the Dealer may require under its client onboarding programme, anti money laundering programme or other such programme (as the case may be); and (2) an Investor Letter of Representations on the terms set out herein.

For the avoidance of doubt, if the Transfer is pursuant to a buy back of PRC Access Securities by the Dealer, the provisions of this paragraph (vi) shall not apply.

(vii) no sale of PRC Access Securities shall be solicited by it in the PRC and it shall not engage in any marketing activity for PRC Access Securities in the PRC;

(viii) it will comply with all applicable laws and regulations in each jurisdiction in which it deals in PRC Access Securities;

(ix) it confirms that the Issuer, Dealer, Guarantor and their respective parents, affiliates and subsidiaries (each, a "**JPMorgan affiliated entity**") have consent to provide information regarding any PRC Access Security, a holder, proposed transferee, their respective nominees or associates/affiliates or a proposed transferee, the PRC Access Securities and any breach of this notice to any Authority as any JPMorgan affiliated entity reasonably necessary or appropriate in order to comply with regulations or requests of such Authority from time to time, including but not limited to disclosures in periodic reporting made by any JPMorgan affiliated entity to any Authority;

(x) it will ensure that the none of the JPMorgan affiliated entities will have any responsibility, liability or obligation for any consent, approval or permission required by it (whether or not obtained) or any actions taken (or not taken) by it for any transaction involving PRC Access Securities under any laws and/or regulations in force in any jurisdiction to which it is subject;

(xi) it is duly authorised and has full power to make binding representations, warranties and agreements set forth herein on its own behalf and on behalf of each Account;

(xii) it has due authorisation as well as such knowledge and experience in financial and business matters as to enable it to evaluate the merits and risk of the investment by and each Accountholder in the PRC Access Securities as well as in the underlying PRC Reference Securities and each Accountholder is able to bear the economic risk of investing in and holding such PRC Access Securities indefinitely;

(xiii) it has or will have, before acquiring any PRC Access Securities, all the information that it believes is necessary or appropriate in connection with its purchase of such PRC Access Securities (including, without limitation, all the information in respect of any related PRC Reference Securities, the PRC Reference Issuers and the PRC Access Securities);

(xiv) it has conducted or will have conducted, before acquiring any PRC Access Securities, its own investigation of such PRC Access Securities, any related PRC Reference Securities and PRC Reference Issuers and the risks related to an investment in the PRC Access Securities and, indirectly, in the PRC Reference Securities, and, in connection with such investigation, it has not relied on any JPMorgan affiliated entity or any of its representatives or agents, none of whom have made any representation to it, express or implied, with respect to the PRC Access Securities, PRC Reference Securities or the PRC Reference Issuer, except for those expressly set forth in this Base Prospectus (including any amendments or modification thereto) for the PRC Access Securities;

(xv) it acknowledges that none of the JPMorgan affiliated entities is responsible for determining the legality or suitability of an investment by it or for the account or benefit of any Accountholder in the PRC Access Securities;

(xvi) it is aware and acknowledges that a JPMorgan affiliated entity may from time to time have a direct or indirect investment in, or a banking or other business relationship with, the PRC Reference Issuer or guarantors or sponsors of the PRC Reference Securities, and, in the course of such relationships, the Dealer may come into possession of material, non-public information regarding the relevant PRC Reference Issuer and that the Dealer is not under any obligation to inform it either of the nature of or the fact that they may be in possession of such information. It is aware that from time to time the Dealer 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 PRC Reference Securities or PRC Reference Issuers; it acknowledges that if such information is provided to it, it is so provided without regard to its financial situation or other circumstances and that the provision by the Dealer 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 PRC Access Securities is suitable to it 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; and

(xvii) it agrees to indemnify and hold harmless the Dealer and its affiliates as well as their respective officers, director, employees, advisors, agents and controlling persons (each, an "**Indemnified Person**") from and against any and all losses, claims, damages, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses (including the cost of any investigation and preparation), duties and taxes (to the extent contemplated in clauses (ii) and (iii) above), on a joint and several basis, when and as incurred by such Indemnified Person, resulting from or arising out of or related to a breach of any representation, warranty or agreement made in this PRC Access Securities letter by it on its own behalf or on behalf of any Accountholder.

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 U.S. 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 any 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 Final Terms 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, JPMI, 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.

JPMI will be subject to tax on its worldwide income under the laws of Barbados as a society with restricted liability, licensed to conduct international business. 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 a society with restricted liability, licensed to conduct international business, payments of interest, distributions or returns, management fees or other fees made by JPMI to a person who is not resident in Barbados are exempt from withholding tax in Barbados. This also applies where such payments are made to a person, who, if resident in Barbados, carries on the business of an international society or is otherwise licensed to carry on international business from 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 a society with restricted liability, licensed to conduct international business, 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, hold or 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 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:

(a) 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;

(b) seek to claim relief and/or repayment of Irish tax deducted at source in respect of income from Irish sources; or

(c) 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 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, Luxembourg 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 Gift / Inheritance 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 of the gift or inheritance 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 gift / inheritance tax (called 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 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 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 Irish tax regime relating to 'material interests' in offshore funds (as defined in section 743 of the Taxes Consolidation Act 1997 of Ireland) could apply to such Foreign Securities.

Irish Holders who acquire Foreign Securities issued by JPMorgan Chase Bank, N.A. through a branch situated in the EU should consider whether the Irish tax regime relating to 'specified interest' (as defined in section 267M of the Taxes Consolidation Act 1997 of Ireland) could apply to such Foreign Securities. 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 any gains arising.

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 Gift / Inheritance 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.

Withholding Tax on 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.

Withholding Tax on 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. 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.

Reporting of Information to Tax Authorities

Ireland has transposed the EU Saving Tax Directive into Irish law. Payments made by a Paying Agent located in Ireland (or JPMBD) in respect of Securities in the form of debt instruments may be reportable to the Irish Revenue Commissioners. This reporting obligation would arise, broadly, with respect to payments to Holders who are individuals (beneficially entitled to the payments) who are resident in a Member State of the European Union (other than Ireland) or in certain other territories. A reporting obligation would also arise, broadly, with respect to payments to Holders established in these jurisdictions who are not legal persons, persons subject to corporate taxation or UCITS. Any information reported to the Irish Revenue Commissioners would be communicated to the authorities in the jurisdiction of residence (or establishment) of the relevant Holders.

The Netherlands Taxation

The following discussion is a summary of certain material Dutch tax considerations relating to (i) Securities issued by JPMSP, (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 Base Prospectus 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, being an individual or a non-resident entity, has or will have a substantial interest (*aanmerkelijk belang*), 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 (*aanmerkelijk belang*) 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, a non-resident entity has a substantial interest (*aanmerkelijk belang*) 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.

Where the summary refers to "The Netherlands" or "Dutch" it refers only to the European part of the Kingdom of the Netherlands.

Withholding Taxes

Securities issued by JPMSP

All payments made by JPMSP under the Securities 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-paragraph (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.

Securities issued by Issuers other than JPMSP whether or not the Paying Agent or Custodian is located in The Netherlands

All payments made by Issuers other than JPMSP 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.

Taxes on Income and Capital Gains

This section applies to Securities issued by JPMSP as well as Securities issued by Issuers other than JPMSP, whether or not the Paying Agent or Custodian is located in The Netherlands.

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 the prevailing statutory rates.

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 value of the individual's net assets at the beginning of 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*).

Stamp/Transfer Taxes

This section applies to Securities issued by JPMSP as well as Securities issued by Issuers other than JPMSP

The subscription, issue, placement, allotment, delivery or transfer of a Security will not be subject to stamp tax, transfer tax or any other similar tax or duty payable in The Netherlands.

Gift and Inheritance Taxes

This section applies to Securities issued by JPMSP as well as Securities issued by Issuers other than JPMSP

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.

Dutch Implementation of the EU Savings Tax Directive

This section applies to Securities issued by JPMSP or where the Paying Agent or Custodian is located in The Netherlands

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 Taxation

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

General

Under the Foreign Account Tax Compliance Act ("**FATCA**"), the Issuers may be required to withhold a new U.S. withholding tax of up to 30 per cent. on payments, including principal and gross proceeds, made on or after 1 January 2014 to certain Holders in respect of the Securities. In particular, the withholding tax may apply to payments in respect of Securities issued by J.P. Morgan Chase & Co., J.P. Morgan Chase Bank, N.A. or J.P. Morgan Indies SRL (each, a "**U.S. Issuer**") made, subject to certain exceptions, to (i) a non-U.S. Holder that is a foreign financial institution (an "**FFI**") (defined below) and that does not have in place an effective agreement as described in Section 1471(b)(1) of the Code (an "**IRS FATCA Agreement**") (such a non-U.S. Holder, a "**Non-Participating FFI**") and (ii) any other non-U.S. Holder or beneficial owner that does not comply with the relevant U.S. Issuer's or any intermediary's requests for ownership and identifying information. Subject to certain exceptions, the withholding tax also may apply to payments in respect of Securities issued by JPMSP or JPMBD (each, a "**Non-U.S. Issuer**") made to (i) a Non-Participating FFI and (ii) any other Holder or beneficial owner that fails to properly comply with the relevant Non-U.S. Issuer's or any intermediary's requests for certifications and identifying information or, if applicable, for waivers of non-U.S. law prohibiting the release of such information to the IRS.

Under FATCA, a Non-U.S. Issuer may also be subject to a withholding tax of up to 30 per cent. on payments of, among others, U.S. source interest, U.S. source dividends and gross proceeds from the sale of certain U.S. assets made on or after 1 January 2014. In the event a Non-U.S. Issuer determines that there is a substantial likelihood that payments made to it would be subject to withholding tax under FATCA or that the Non-U.S. Issuer will be in violation of its IRS FATCA Agreement, it is possible that a portion or all Securities of a series issued by such Non-U.S. Issuer will be redeemed or terminated at the Early Payment Amount, as set out in General Condition 17.3 (*Early Redemption or Termination for Taxation – FATCA*).

The application of FATCA to Holders of Securities issued by a Non-U.S. Issuer may differ than as described herein in the event payments are made under the JPMorgan Chase Bank, N.A. Guarantee in respect of the Securities of JPMSP or under the JPMorgan Chase & Co. Guarantee in respect of the Securities of JPMBD.

Reporting Under FATCA

FATCA is complex and its application is dependent on the particular factual circumstances of the relevant Issuer, the Securities and the Holders. Broadly, payments of U.S. source interest, U.S. source dividends, and other U.S. source periodic income made on or after 1 January 2014 and payments of proceeds from the sale of assets of a type that can produce U.S. source interest or U.S. source dividends made on or after 1 January 2015 (collectively, "**U.S. Source Income**") to non-U.S. persons may be subject to a 30 per cent. withholding tax (which may not be refundable) except where the assets giving rise to such U.S. Source Income comprise certain types of obligations that are outstanding as of 31 December 2012 ("**Grandfathered Obligations**") or the recipient complies with other requirements specified in the Code. To avoid the withholding tax, a recipient of U.S. Source Income that is an FFI must have in place an effective IRS FATCA Agreement and any other non-U.S. recipient must comply with the payor's request for ownership and identifying information, unless an exception is available. In general, FFIs are non-U.S. banks, non-U.S. custodians, non-U.S. insurance companies or other non-U.S. entities engaged primarily in the business of investing, reinvesting, or trading in securities, partnership interests, commodities, insurance or annuity contracts, or a derivative position in any of the foregoing.

Because the Non-U.S. Issuers expect to be treated as FFIs, each Non-U.S. Issuer expects to enter into an IRS FATCA Agreement and to comply with such reporting and withholding requirements thereunder. Although the detailed requirements of an IRS FATCA Agreement have yet to be

announced, it is expected that the IRS FATCA Agreement will require the Non-U.S. Issuers (or an intermediary financial institution, broker or agent (each, an "**Intermediary**") through which a beneficial owner holds its interest in a Security) to agree to (i) obtain certain identifying information regarding each Holder or beneficial owner of a Security to determine whether such Holders or beneficial owners are U.S. persons or U.S. owned foreign entities and to periodically provide identifying information about the Holders and beneficial owners to the IRS and (ii) comply with withholding and other requirements. In order to comply with its information reporting obligation under the IRS FATCA Agreement, the Non-U.S. Issuers will be obliged to obtain information from all Holders or beneficial owners (not just from U.S. Holders or beneficial owners) of the Securities because unless a Non-U.S. Issuer can adequately identify its non-U.S. Holders and non-U.S. beneficial owners, it will be unable to properly identify (by matter of elimination) its direct and indirect U.S. Holders and beneficial owners. Although certain exceptions to these disclosure requirements could apply, each Holder of Securities of a Non-U.S. Issuer should 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.

To the extent any payments in respect of Securities are made to a beneficial owner by an Intermediary, such beneficial owner may be required to comply with the Intermediary's requests for identifying information that would permit the Intermediary to comply with its own IRS FATCA Agreement.

Potential Withholding and Redemptions Under FATCA

Any Holder or beneficial owner of Securities that fails to properly comply with the relevant Issuer's or an Intermediary's requests for ownership certifications and identifying information or, if applicable, a waiver of non-U.S. law prohibiting the release of such information to the IRS, will be treated as a "**Recalcitrant Holder**" and may be subject to a 30 per cent. U.S. withholding tax on (i) "passthru payments" in the case of Securities issued by a Non-U.S. Issuer and (ii) payments treated as U.S. Source Income in the case of Securities issued by a U.S. Issuer. In addition, any Holder or beneficial owner of a Security that is itself an FFI and does not have in place an effective IRS FATCA Agreement will be subject to a U.S. withholding tax of up to 30 per cent. on (i) "passthru payments" in the case of Securities issued by a Non-U.S. Issuer and (ii) payments treated as U.S. Source Income in the case of Securities issued by a U.S. Issuer. Very generally, a payment with respect to a Security may be treated as a passthru payment to the extent of (i) the amount (if any) of the payment that is treated as U.S. Source Income plus (ii) the remaining amount of the payment multiplied by a ratio equal to the relevant Non-U.S. Issuer's average U.S. assets to its average total assets, based on specified testing dates. For purposes of this determination, U.S. assets likely will be defined broadly and may include, without limitation, a percentage of an interest in certain foreign financial institutions.

All Holders should be aware that it may be necessary for a Non-U.S. Issuer to redeem Recalcitrant Holders if such non-compliance may cause the Issuer to be in violation of its IRS FATCA Agreement or may cause the Issuer to be subject to withholding as described in General Condition 17.3 (*Early Redemption or Termination for Taxation – FATCA*). Any redemption will be at the Early Payment Amount. In addition, compliant Holders will be subject to the redemption of their Securities in such an event.

Grandfathered Obligations

In general, obligations that are outstanding as of 31 December 2012 and that are not (x) modified after 31 December 2012 and (y) treated as reissued for U.S. federal income tax purposes will neither be treated as U.S. assets nor be subject to withholding. However, obligations that are treated as equities for U.S. federal income tax purposes and certain obligations lacking a definitive term (such as saving and demand deposits) are not eligible for this grandfathering exemption. Further, even if a Security were grandfathered for purposes of imposing withholding on such Security, the Holders or beneficial owners will be required to comply with the relevant Issuer's or Intermediary's requests for identifying information.

Uncertain Application

At this time, the application of FATCA and the new withholding tax is uncertain. It is not clear what actions, if any, will be required to minimize the impact of FATCA on the Issuers and the Holders of Securities. No assurance can be given that the Issuers will be able to take all necessary actions or that

actions taken will be successful to minimize the potential application of the new withholding tax. Further, the efficacy of an Issuer's actions might not be within the control of the Issuer and, for example, may depend on the actions of Holders of the Securities (and each agent (if any) in the chain of payment).

Each potential investor in Securities should consult its own tax advisor to determine how FATCA may affect an investment in the Securities in such investor's particular circumstance.

TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL

Except as specifically limited or noted, the summary under this section entitled "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A., OR J.P. MORGAN INDIES SRL" addresses purchasers of Securities issued by J.P. Morgan Chase & Co., J.P. Morgan Chase Bank, N.A. or J.P. Morgan Indies SRL (each, a "**U.S. Issuer**").

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 organized 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.

Taxation of U.S. Holders

Because only Rule 144A Securities are being offered to U.S. Holders, for purposes of the discussion in this section "United States Federal Income Taxation— TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A., OR J.P. MORGAN INDIES SRL—Taxation of U.S. Holders", the term "Securities" refers only to Rule 144A Securities. The summary below assumes that any Rule 144A Security held by a U.S. Holder is properly treated as in registered form for U.S. federal income 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.

The Securities are complex derivative Securities whose relevant Final Terms may vary materially 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 U.S. 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 as other than debt, depending on their precise terms, may properly be 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 as 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.

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 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 (which may include 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.

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

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, an 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 includible 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 in 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 is equal to 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", 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 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 LLC of 383 Madison Avenue, 5th Floor, New York, New York 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" 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 "Market Discount" or "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 collateralized options written or held by the U.S. Holder), or 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 rateably 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 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.

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.

U.S. Withholding Taxes

Subject to the discussions below in "U.S. Withholding on Securities Under the New U.S. Tax Law", "U.S. Federal Income Tax 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, 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;
- the Non-U.S. Holder is not within a foreign country with respect to which the United States Secretary of the Treasury determines that the exchange of information between the United States and such foreign country is inadequate under the 871(h)(6), such that interest paid to persons in such foreign country cannot be treated as portfolio interest;
- 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; and
- the Security is treated as issued in registered form for U.S. federal income tax purposes.

Accordingly, except to the extent the Final Terms indicate otherwise and subject to the discussion in the section entitled "NEW U.S. TAX LEGISLATION" above, and the discussions below in "U.S. Withholding on Securities Under the New U.S. Tax Law" and "U.S. Federal Income Tax 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 "NEW U.S. TAX LEGISLATION" above and the discussions below in "U.S. Withholding on Securities Under the New U.S. Tax Law" and "U.S. Federal Income Tax 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.

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 U.S. withholding tax generally. Further, 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).

U.S. Federal Income Tax Withholding on Dividend Equivalent Payments

Introduction. Notwithstanding the general discussion on withholding above, payments on a Security that are characterised as ("**Dividend Equivalent Payments**") will be treated as U.S. source dividends subject to U.S. federal income tax withholding if certain conditions, described below, are satisfied. The

rules for withholding on Dividend Equivalent Payments are complex. Prospective purchasers of Securities should be aware, however, that Dividend Equivalent Payments are defined broadly and withholding on Dividend Equivalent Payments could apply to a payment made on any Security (whether in the form of a Note, Warrant or Certificate and regardless of the Issuer) if the payment is considered to be directly or indirectly contingent upon, or determined by reference to, the payment of a U.S. source dividend.

Detailed Discussion. A Dividend Equivalent Payment is any payment that is directly or indirectly contingent upon, or determined by reference to, the payment of a U.S. source dividend (very generally, a dividend with respect to a U.S. corporation and, possibly, a foreign corporation that is engaged in a U.S. trade or business). A Dividend Equivalent Payment generally would not include a payment determined by reference to an estimated dividend, but under recently proposed regulations would include payments contingent on or determined by reference to announced but unpaid dividends (including any explicit or implied adjustment to the purchase or redemption price that reflect an announced dividend). Dividend Equivalent Payments will be subject to withholding if a Security is characterised, for U.S. federal income tax purposes, as (i) a securities lending transaction, (ii) a sale-repurchase transaction or (iii) "a specified notional principal contract" (an "**SNPC**"), as described in further detail below.

For payments made prior to 1 January 2013, an SNPC is 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) with respect to which, 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 by the IRS as a specified notional principal contract.

For payments made on or after 1 January 2013, under recently proposed regulations, an SNPC includes any financial instrument (including any Security) if either (i) the long party (or a related person) is "in the market" with respect to the underlying reference security on the same day that the parties price the contract or when the contract terminates (which would include physical settlement of a Security), (ii) the underlying reference security is not regularly traded on a qualified exchange, (iii) the short party (or a related person) posts collateral, more than 10 per cent. of which consists of the underlying reference security, (iv) the actual (rather than stated) term of the contract (the "**contract duration**") is less than 90 days (and, for this purpose, a contract is considered terminated when the long party (or a related person) enters into an offsetting position with respect to the underlying reference security), (v) the long party controls the short party's hedge, (vi) the notional principal amount is greater than 5 per cent. of the total public float of the underlying reference security or greater than 20 per cent. of the 30-day average trading volume as of the close of business on the day immediately preceding the first day of the term of the contract, determined, in both cases, by aggregating all positions of the long party (and any person related to the long party) or (vii) the contract is entered into on or after the announcement of a special dividend but before the ex-dividend date with respect to any underlying reference security. Thus, for payments made on or after 1 January 2013, potential investors should assume that a Dividend Equivalent Payment on any Security will be subject to U.S. federal income tax withholding if any of the above seven conditions are satisfied.

Under the proposed regulations, payments on a Security that reference a basket of shares, an index or an index basket may, in certain cases, constitute Dividend Equivalent Payments by treating each share in the basket, each constituent in the index or each constituent in the index basket as a separate notional principal contract. For this purpose, it is unclear how to determine the contract duration with respect to each share or constituent in a basket or index that is periodically rebalanced. However, although not certain, the proposed regulations appear to exempt Dividend Equivalent Payments in respect of indices which are not "narrow based" and for which options or futures contracts trade on certain designated securities exchanges, boards of trade or markets. For these purposes, narrow based means, broadly speaking, that the index contains nine or fewer components or certain concentration or value tests with respect to the shares in the index are satisfied.

It is unclear whether the proposed regulations will be finalised, or if finalised, will be adopted in their current form. Accordingly, it is unclear whether any of the Securities will constitute a notional principal contract or other financial instrument. To the extent a Security is treated, for U.S. federal income tax purposes, as a notional principal contract or other financial instrument, it is further unclear at this time whether such a Security would be treated as an SNPC. In addition, it is unclear how a

withholding agent will determine whether any of the above-described criteria are satisfied for a particular Holder or particular issuance and it is possible that a withholding agent will assume the criteria are satisfied in the absence of evidence to the contrary. Further, 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.

Payment of Additional Amounts. Except to the extent the Final Terms indicate otherwise, the relevant Issuer will pay Additional Amounts (as described in General Condition 17 (*Taxation and Early Redemption or Termination for Taxation*)) to the Holder or beneficial owner of a Security if withholding is imposed by an Issuer on a Security with respect to a Dividend Equivalent Payment, provided that an Issuer will not, in any event, be obligated to pay additional amounts if, in the reasonable judgment of the Issuer, withholding would not have been imposed but for the Holder or beneficial owner (or a related party thereof) (a) engaging in a transaction other than the mere purchase of the Security (whether or not in connection with the acquisition, holding or disposing of the Security) that establishes the withholding obligation, (b) failing to take reasonable measures to secure a refund of the withholding taxes to which it is entitled or (c) failing to establish an exemption or reduced rate of withholding, including, under the benefits of an applicable treaty.

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, the Holders and beneficial owners of such Security will be subject to FATCA, as 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 FATCA. 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 FATCA unless the Non-U.S. Holder complies with the applicable FATCA requirements 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 amounts withheld under FATCA.

Withholding with respect to Underlying Hedge Transactions. Even if payments on the Securities were not subject to withholding as Dividend Equivalent Payments or under FATCA, it is possible that payments made to the Underlying Hedge Entity in respect of its hedging obligations in relation to a Security may be subject to withholding. In respect of Securities issued by JPMSP or JPMBD, if the relevant Final Terms specifies that "Early Redemption for Tax on Underlying Hedge Transactions" is applicable, then in the event payments to the relevant Underlying Hedge Entity has or will (or there is a substantial likelihood that it will) incur a materially increased tax cost in performing its obligations in relation to the Underlying Hedge Transactions (including, without limitation, as Dividend Equivalent Payments or on account of FATCA), the Issuer may redeem the related Securities early by payment of the Early Redemption Amount. The Early Redemption Amount may be less than the purchase price of the Securities.

United States Backup Withholding and Information Reporting

In the case of a Security that is treated as debt 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 on the sale, exchange or other disposition of a Security made to a Non-U.S. Holder by a U.S. broker generally will be subject to information reporting and backup withholding unless the 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. 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.

TAXATION OF SECURITIES ISSUED BY JPMSP or JPMBD

The summary below addresses purchasers of Securities issued by JPMSP or JPMBD (each, as defined above, a Non-U.S. Issuer).

Taxation of U.S. Holders

U.S. Holders generally should see discussion under "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of U.S. Holders" for the U.S. federal income tax treatment of the Securities, although the source of income may differ than as described therein.

New Reporting Requirements

A U.S. Holder that is an individual and holds certain foreign financial assets must file new IRS Form 8938 to report the ownership of such assets if the total value of those assets exceeds the applicable threshold amounts. The threshold varies depending on whether the U.S. Holder lives in the United States or files a joint income tax return with a spouse. For example, an unmarried U.S. Holder living in the United States is required to file Form 8938 if the total value of all specified foreign financial assets is more than $50,000 on the last day of the tax year or more than $75,000 at any time during the tax year. US Holders in other situations have the same or a greater threshold. In general, specified foreign financial assets include stocks or securities issued by a non-US person (such as the Issuers), any interest in a foreign entity, any financial instrument or contract that has an issuer or counterparty that is not a US person. Proposed regulations also would require certain domestic entities that are formed, or availed of, for purposes of holding, directly or indirectly, specified foreign financial assets to file IRS Form 8938. In addition, certain non-resident alien individuals may be required to file Form 8938, notwithstanding the availability of any special treatment under an income tax treaty.

Taxpayers who fail to make the required disclosure with respect to any taxable year are subject to a penalty of U.S.$10,000 for such taxable year, which may be increased up to U.S.$50,000 for a continuing failure to file the form after being notified by the IRS. In addition, the failure to file Form 8938 will extend the statute of limitations for a taxpayer's entire related income tax return until at least three years after the date on which the Form 8938 is filed.

All U.S. holders are urged to consult with their own tax advisors with respect to whether a Security is a foreign financial asset that (if the applicable threshold was met) would be subject to this rule.

Taxation of Non-U.S. Holders

General

The discussion below only addresses persons that are neither U.S. Holders nor partnerships (as defined above, 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.

U.S. Withholding Taxes

Subject to the discussions above in "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of Non-U.S. Holders—*U.S. Withholding Taxes—U.S. Withholding on Securities Under the New U.S. Tax Law*" and "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of Non-U.S. Holders—U.S. Withholding Taxes—*U.S. Federal Income Tax Withholding on Dividend Equivalent Payments*", and the discussion in "*—United States Backup Withholding and Information Reporting*", below, and generally without regard to whether interest qualifies as portfolio interest, 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.

Accordingly, except to the extent the Final Terms indicate otherwise and subject to the discussions above in the sections entitled "NEW U.S. TAX LEGISLATION", "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of Non-U.S. Holders—U.S. Withholding Taxes—*U.S. Withholding on Securities Under the New U.S. Tax Law*" and "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of Non-U.S. Holders—U.S. Withholding Taxes—*U.S. Federal Income Tax Withholding on Dividend Equivalent Payments*", (but generally without regard to whether interest qualifies as portfolio interest), the relevant Issuer generally does not intend to withhold any amounts with respect to payments made to Non-U.S. Holders under the Securities.

Further, subject to the discussion in the sections entitled "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of Non-U.S. Holders—U.S. Withholding Taxes—*U.S. Withholding on Securities Under the New U.S. Tax Law*" and "TAXATION OF SECURITIES ISSUED BY J.P. MORGAN CHASE & CO., J.P. MORGAN CHASE BANK, N.A. OR J.P. MORGAN INDIES SRL—Taxation of Non-U.S. Holders—*U.S. Withholding Taxes—U.S. Federal Income Tax 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.

United States Backup Withholding and Information Reporting

In the case of a Security 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.

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 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.

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 per cent. 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 per cent. 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.

U.S. ESTATE TAX CONSIDERATIONS FOR NON-US HOLDERS

Generally, Securities that are treated as debt for U.S. federal income tax purposes will not be subject to U.S. federal estate tax as a result of an individual's death; provided, however that with respect to debt issued by a U.S. Issuer, at the time of the individual's death (i) payments on such Security would not have been effectively connected with a U.S. trade or business of the individual and (ii) interest payments with respect to the Security would qualify as portfolio interest as described above under "U.S. Withholding Taxes", (without regard to the certification requirement described therein). Otherwise, Non-U.S. Holders who are individuals (and holders that are entities the property of which is

potentially includible in such an individual's gross estate for U.S. federal estate tax purposes; for example, a trust funded by a Non-U.S. Holder that is an individual and with respect to which the individual has retained certain interests or powers) should note that, absent an applicable treaty benefit, a Security may be treated as U.S. situs property subject to U.S. federal estate tax. Such individuals and entities should consult their own tax advisors regarding the U.S. federal estate tax consequences of investing in the Securities.

Austria Taxation

The following summary does not purport to be a comprehensive description of all Austrian tax considerations that may be relevant for the decision to acquire, to hold and to dispose of the Securities and does not constitute legal or tax advice. The summary is based on Austrian tax law and practice and official interpretation currently in effect, all of which are subject to change. Future legislative, judicial or administrative changes could modify the tax treatment described below and could affect the tax consequences for investors. Prospective investors should consult their own independent advisers as to the implications of their subscribing for, purchasing, holding, exchanging or disposing of the Securities under the laws of the jurisdictions in which they may be subject to tax. The discussion of certain Austrian taxes set forth below is included for information purposes only.

This summary of Austrian tax issues is based on the assumption that the Securities do not qualify as equity for Austrian tax purposes. The tax consequences may substantially differ if the Securities are qualified as equity instruments or (in particular if issued by a non-Austrian entity) units in a non-Austrian investment fund within the meaning of § 42(1) of the Austrian Investment Fund Act (*Investmentfondsgesetz, InvFG*).

The legal situation in Austria regarding the taxation of income from Securities was changed by the Budget Supplementary Act 2011, Federal Gazette I 2010/11 (*Budgetbegleitgesetz 2011; BBG 2011*), the Tax Law Amendment Act 2011, Federal Gazette I 2011/76 (*Abgabenänderungsgesetz 2011; AbgÄG 2011*) and the Budget Supplementary Act 2012, Federal Gazette I 2011/112 (*Budgetbegleitgesetz 2011; BBG 2011*). According to the AbgÄG 2011, such new tax regime is applicable as from 1 April 2012. Therefore, in the following, it will be distinguished between the legal situations regarding Securities acquired prior to the effective date of 1 April 2012 and Securities acquired on or after the effective date of 1 April 2012.

Tax treatment of Securities purchased prior to 1 April 2012

Income classification in general

Income from Notes is regarded as income from debt securities (*Forderungswertpapieren*). This includes both interest payments and proportional capital returns that are realised upon the sale of the notes to third parties (e.g., "accrued interest" or the like; *Stückzinsen*).

Income from Certificates, the redemption amount of which depends on the value fluctuations of an underlying, is considered as interest if the initial investment amount exceeds 20 per cent. of the referenced underlying. This includes any difference between the issue price and the repurchase price at maturity due to the development of the reference-value. Equally, any positive difference due to the development of the reference-value which is realised upon the alienation of the index product prior to maturity is treated as interest income. According to the Austrian Ministry of Finance (*Bundesministerium für Finanzen; BMF*), these principles may equally be applied to securities under which the investor has a right for repayment of the investment and the amount of such repayment depends on the performance of single equities or commodities which, in their entirety, do not amount to an index. However, in case the initial investment amount does not exceed 20 per cent. of the referenced underlying, the income is not considered as interest and may only be taxed upon the alienation of the Certificate if the requirements of a "speculative transaction" (*Spekulationsgeschäft*) pursuant to § 30 Austrian Income Tax Act (*Einkommensteuergesetz; EStG*) are met.

Income from Warrants may be subject to taxation pursuant to § 30 EStG as speculative transaction. In general, a speculative transaction is carried out if assets – including warrants – are disposed of within one year after their acquisition. In addition, forward transactions (*Termingeschäfte*) including contracts for difference (*Differenzgeschäfte*) and options (*Optionsgeschäfte*) settled within one year, are considered speculative transactions. In general, income from Warrants (*Optionsscheinen*) is not

considered as interest. The physical settlement of a Warrant is not considered a taxable event but rather an acquisition of the respective underlying. Such tax treatment is based on the assumption that the Warrant is not considered a debt security or certificate for Austrian tax purposes, which – under the principle of substance over form (*wirtschaftliche Betrachtungsweise*) – may be the case if the capital investment becomes more relevant than the derivative character or the option component of the Warrant. Further, it is assumed that the Warrants are not considered a foreign investment fund pursuant to § 42(1) InvFG.

Austrian tax resident individual investors

Interest received by an individual investor resident for tax purposes in Austria (i.e., the individual has a tax residence/domicile and/or the habitual place of abode in Austria) is subject to Austrian income tax.

If interest under the Notes or Certificates is paid by an Austrian paying agent, withholding tax at a rate of 25 per cent. is triggered. Such withholding tax is final (i.e., the investor does not have to include such income in the income tax return) provided that the Securities are both legally and actually publicly offered. If the investor's applicable average income tax rate is below 25 per cent., the investor may file an income tax return including the interest income and apply for assessment of his income tax liability based on his income tax return. In the absence of an Austrian paying agent, the investor has to include the interest income in the income tax return and Austrian income tax at the special rate of 25 per cent. is due (§ 37(8) of the Austrian Income Tax Act (*Einkommensteuergesetz, EStG*). Any expense directly connected to income that is subject to the final Austrian withholding tax or the special tax rate of 25 per cent. is not deductible for Austrian tax purposes.

Capital gains from the sale of Securities purchased prior to 1 October 2011 and held by a private investor are only taxable as speculative transaction, i.e. if the Securities are sold within one year after their acquisition. In case of privately held Warrants, income from the alienation of the Warrant should only be taxable, if the alienation takes place within one year after the acquisition. Income from the exercise or other settlement of a Warrant (e.g. automatic exercise, redemption by the Issuer or the occurrence of a knock-out event) should, according to the wording of § 30 EStG only be taxable if the exercise or other settlement takes place within one year as from the acquisition. However, it cannot be ruled out that the Austrian tax administration follows the view that the exercise or other settlement of a Warrant with a cash payment for difference (*Barausgleich*) is considered as speculative transaction irrespective of any holding period. Capital gains from the sale of the Securities purchased on or after 1 October 2011 and prior to 1 April 2012 by a private investor are subject to income tax as a speculative transaction irrespective of any holding period.

Income tax at the regular rates of up to 50 per cent. would be due if the aggregate amount of profits from speculative transactions realised by the private investor in a given calendar year exceeds € 440. In this latter case the regular rate of up to 50 per cent. applies if the Securities are sold prior to 1 April 2012 and a 25 per cent. tax rate applies if the Securities are sold on or after 1 April 2012, in each case if the aggregate amount of profits from speculative transactions realised by the private investor in a given calendar year exceeds € 440. Losses from a speculative transaction realised within the calendar year may not be compensated with other income of the private investor other than speculation profits realised in that specific calendar year, however, to the extent the 25 per cent. tax rate applies to Securities (i.e. Securities purchased on or after 1 October 2011 and sold on or after 1 April 2012) the losses are not part of the tax base unless the investor opts for taxation at the regular rates of up to 50 per cent.

If the Securities are held as business assets, income and capital gains from the sale of the Securities are taxable income irrespective of any holding period subject to the regular tax rates of up to 50 per cent. In case of alienation or settlement of the Securities as from 1 April 2012, the new special tax rate of 25 per cent. applies.

Austrian private foundations

Private foundations (*Privatstiftung*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in § 13(6) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz, KStG*) and holding Securities as a nonbusiness asset are subject to interim taxation (*Zwischenbesteuerung*) at a rate of 25 per cent. (which is creditable against Austrian withholding tax on any distributions by the private foundation to beneficiaries) with interest

payments received (which term also encompasses the difference between the redemption price and the issue price) in case the Securities are both legally and actually publicly offered. If the Securities are not both legally and actually publicly offered, then the interest payments are subject to corporate income tax at a rate of 25 per cent. Under the conditions set forth in § 94(11) EStG (as of 1 April 2012 in § 94(12) EStG), no withholding tax is levied. Income from speculative transactions is subject to corporate income tax at a rate of 25 per cent.

Austrian tax resident corporate investors

A corporation that is subject to unlimited corporate income tax liability in Austria (i.e., a corporation that has its seat or place of effective management in Austria) receiving such income will be subject to Austrian corporate income tax at a rate of 25 per cent. The 25 per cent. Austrian withholding tax may be triggered but is creditable against the corporate investor's Austrian corporate income tax liability. Corporate investors may avoid triggering Austrian withholding tax on interest by filing an exemption declaration (§ 94(5) EStG).

Capital gains from the sale of the Securities, held as business assets, are taxable income irrespective of any holding period.

Non-Austrian tax resident investors

Interest income derived from the Securities by investors that are not resident in Austria for tax purposes and do not maintain an Austrian permanent establishment to which such interest is attributable should not be taxable in Austria. If Austrian withholding tax on investment income has been deducted by the paying agent, the non-Austrian tax resident investor may reclaim the withholding tax. Non-Austrian tax resident investors may avoid the deduction of the Austrian withholding tax, if the Securities are deposited with an Austrian bank and evidence in writing is forwarded to the bank, confirming, among others, that the investor neither has his tax residence nor his habitual place of abode in Austria. Non-Austrian resident corporations may avoid the deduction of the Austrian withholding tax at source, if the Securities are deposited with an Austrian bank and the evidence in writing is forwarded to the bank, confirming that the corporation is the beneficial owner of the Securities and neither has its statutory seat nor its place of effective management in Austria.

Capital gains derived from the sale of the Securities by non-Austrian resident individuals or corporations having no other relation to Austria except for the mere holding of the Securities in particular the Securities may not be attributable for Austrian tax purposes to a permanent establishment located in Austria) are not subject to income tax or corporate income tax in Austria.

Tax treatment of Securities purchased on or after 1 April 2012

Income classification in general

Income from Securities is generally taxable as income from capital (i.e. as interest, capital gains or income from derivatives; § 27 EStG). The physical settlement of a Warrant is not considered a taxable event but rather an acquisition of the respective underlying.

Austrian tax resident individual investors

In case of an individual investor, income tax is levied at the time the interest, the capital gains or the income from the derivatives is received (i.e. upon receipt of a cash payment).

If interest is paid by an Austrian paying agent (e.g. an Austrian credit institution or Austrian issuer) withholding tax at a rate of 25 per cent. is triggered (except Securities which are legally or actually not publicly offered). In relation to capital gains and income from derivatives withholding tax at a rate of 25 per cent. is triggered if the Securities are deposited with an Austrian depository (e.g. an Austrian credit institution or Austrian branch of a non-Austrian credit institution). In the absence of an Austrian paying agent or depository, the investor must include interest, capital gains or income from derivatives (e.g. in case of Warrants or Certificates) in the income tax return and such income is taxed at a rate of 25 per cent. Capital gains and income from derivatives need to be included in the income tax return if realised as business income or employment income. The 25 per cent. (withholding) tax rate is subject to the relevant Securities being both legally and actually publicly offered. An investor may apply for taxation at the progressive income tax rate. A deduction of expenses that are directly economically

connected to income from the Securities is generally not allowed (unless the Securities were legally or actually not publicly offered).

An investor may file an application to offset losses from the Securities in the course of the tax assessment, however, limitations apply pursuant to which losses from the alienation of Securities or income from derivatives may not be set-off against interest income from savings accounts and similar claims against credit institutions, from participations as a silent partner or other income categories (*Einkunftsarten*). Further, losses from Securities that qualify for the 25 per cent. tax rate may not be offset against income from Securities which do not qualify for the 25 per cent. tax rate (e.g. securities that were legally or actually not publicly offered).

Austrian private foundations

Private foundations pursuant to the Austrian Private Foundations Act fulfilling the prerequisites provided by § 13(6) KStG and holding Securities as a non-business asset are subject to interim taxation at a rate of 25 per cent. (which is creditable against Austrian withholding tax on any distributions by the private foundation to beneficiaries) with interest income, income from realised capital gains and income from derivatives. According to the wording of the statute, interest income from Securities that are not legally and actually publicly offered is not subject to interim taxation but rather to corporate income tax at a rate of 25 per cent. Under the conditions set forth in § 94(12) EStG no withholding tax is levied.

Austrian tax resident corporate investors

A corporation subject to unlimited corporate income tax liability in Austria will be subject to Austrian corporate income tax at a rate of 25 per cent. A corporation may file an exemption declaration in order to avoid that Austrian withholding tax is levied.

Non-Austrian tax resident investors

Pursuant to § 98 EStG, interest, capital gains and income from derivatives received by a non-resident investor for tax purposes are not subject to Austrian (corporate) income tax unless attributable to an Austrian located permanent establishment. An Austrian paying agent or depository may abstain from levying 25 per cent. withholding tax under § 94 (13) EStG.

Austrian EU-Source Tax Act

Under the Austrian EU-Source Tax Act (*EU-Quellensteuergesetz, EU-QuStG*; implementing Directive 2003/48/EC of 3 June 2003), interest paid by an Austrian coupon-paying agent to an individual beneficial owner resident in another EU member state is subject to EU source tax at a rate of currently 35 per cent. Interest within the meaning of the EU-QuStG includes, among others, interest paid or credited to an account, relating to debt claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, and, in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures.

An exemption from EU source taxation applies, among others, if the beneficial owner of the interest forwards to the Austrian paying agent documentation issued by the tax office where the tax payer is resident, stating (i) the beneficial owner's name, address and tax identification number (in the absence of a tax identification number the beneficial owner's date and place of birth), (ii) the paying agent's name and address and (iii) the beneficial owner's address and account number or the security identification number. Further, EU source tax is not triggered if interest within the meaning of the EU-QuStG is paid to an institution within the meaning of § 4(2) EU-QuStG resident in another EU Member State and this institution agrees upon written request of the Austrian paying agent to enter into a simplified information exchange procedure with the Austrian paying agent. Special rules apply to securities the value of which depends directly on the value of a reference underlying. Distinction must be made between securities providing for capital protection to the investor (guaranteed interest is sufficient to constitute a capital protection within the present context) or not (see Information of the BMF dated 1 August 2005 for details).

Austrian Stamp and Transfer Taxes

The subscription, issue, placement, allotment, delivery or transfer (unless by way of a cession) of a Security will not be subject to stamp tax, transfer tax or any other similar tax or duty payable in Austria.

Austrian Gift, Inheritance and Wealth Taxes

Austria does not levy any gift, inheritance or wealth taxes.

However, certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation entrance tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Entrance Tax Act (*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Certain exemptions apply in case of a transfer *mortis causa*, in particular for bank deposits, publicly placed bonds and portfolio shares (i.e., less than 1 per cent.). The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate is in general 2.5 per cent., with a higher rate of 25 per cent. applying in special cases.

In addition, a special notification obligation exists for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles. The notification obligation applies if the donor and/or the donee have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of € 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of € 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may lead to the levying of penalties of up to 10 per cent. of the fair market value of the assets transferred.

Belgium Taxation

The following summary describes the principal Belgian tax considerations with respect to the holding of the Securities.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Securities. In some cases, different rules can be applicable. 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 Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this Base Prospectus, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

Unless otherwise stated herein, this summary does not describe the tax consequences for a holder of Securities that are redeemable in exchange for, or convertible into assets, of the exercise, settlement or redemption of such Securities or any tax consequences after the moment of exercise, settlement or redemption.

Each prospective holder of Securities should consult a professional adviser with respect to the tax consequences of an investment in the Securities, taking into account the influence of each regional, local or national law.

Belgian tax regime regarding Notes and Certificates

(A) *Belgian withholding tax and income tax treatment*

(i) *Tax treatment of Belgian resident individuals*

Individuals who are Belgian residents for tax purposes, i.e. individuals subject to the Belgian individual income tax (*"Personenbelasting" / "Impôt des personnes physiques"*), and who hold the Notes and/or Certificates as a private investment are subject to the following tax treatment in Belgium with respect to the Notes and/or Certificates. Other tax rules apply to Belgian resident individuals holding the Notes and/or Certificates not as a private investment but in the framework of their professional activity or when the transactions with respect to the Notes and/or Certificates fall outside the scope of the normal management of their own private estate.

Under Belgian tax law, "interest" income includes: (i) periodic interest income, (ii) any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date), and (iii) if the Notes and/or Certificates qualify as "fixed income securities" (in the meaning of article 2, §1, 8° Belgian Income Tax Code), in the case of a realisation of the Notes and/or Certificates prior to repurchase or redemption by the Issuer, the income equal to the pro rata of accrued interest corresponding to the detention period. In general, Notes and/or Certificates are qualified as fixed income securities if there is a causal link between the amount of interest income and the detention period of the Notes and/or Certificates, on the basis of which it is possible to calculate the amount of pro rata interest income at the moment of the sale of the Notes and/or Certificates during their lifetime.

Payments of interest on the Notes and/or Certificates made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes in principle the final income tax for Belgian resident individuals. However, for interest paid or attributed as from 1 January 2012, the levying of the withholding tax on the interest obtained on the Notes and/or Certificates does no longer relieve Belgian individual investors of the requirement to declare the interest income in their personal income tax return, save in case such investors would opt for a withholding of the 4 per cent. additional levy on moveable income (see below) at source, on top of the 21 per cent. withholding tax, in which case the paying agent will apply a 25 per cent. withholding in total on the interest income.

If the interest is paid outside of Belgium, i.e. without the intervention of a paying agent in Belgium, the interest received on the Notes and/or Certificates (after deduction of any non-Belgian withholding tax) must also be declared in the personal income tax return of the holder of Notes and/or Certificates and will in principle be taxed at a flat rate of 21 per cent. plus communal surcharges. However, no such communal surcharges will be due with respect to interest on Notes and/or Certificates issued by issuers within the EEA, i.e. JPMSP or JPMBD.

For moveable income (i.e. interest on the Notes and/or Certificates and other types of income produced by moveables as defined by Article 17, §1, 1 and 2 of the Belgian Income Tax Code) paid or attributed on or after 1 January 2012, Belgian resident individuals earning per year more than € 13,675 (to be indexed, i.e. € 20,020 for income year 2012) of moveable income (i.e. interest and dividend income in principle subject to the 21 per cent. withholding tax rate, including interest on the Notes and/or Certificates) are subject to a 4 per cent. additional levy on moveable income on the excess moveable income above the threshold. The additional levy is, upon the choice of the investor, either levied by way of assessment on the excess income over and above € 20,020 (in which case the paying agent will need to notify the interest income and the investor's identity to a central contact point within the Federal Public Service Finance) or withheld at source by the Belgian paying agent, in which case the 4 per cent. additional levy will be applied on the entire interest income but the paying agent will have no reporting obligation for that income to the central contact point within the Federal Public Service Finance. Even though individual investors opting for the withholding of the additional levy do not have any obligation to declare the income in their personal income tax return (see above), they will need to declare the income, if they want to recover the 4 per cent. additional levy on the first € 20,020 (income year 2012) of moveable income.

Capital gains realised upon the sale of the Notes and/or Certificates are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of one's private estate or

unless the capital gains qualify as interest (as defined above). Capital losses are in principle not tax deductible.

(ii) *Tax treatment of Belgian resident corporations*

Corporations that are Belgian residents for tax purposes, i.e., corporations subject to Belgian Corporate Income Tax (*"Vennootschapsbelasting" / "Impôt des sociétés"*), are subject to the following tax treatment in Belgium with respect to the Notes and/or Certificates.

Interest derived by Belgian corporate investors on the Notes and/or Certificates and capital gains realised on the Notes and/or Certificates will be subject to Belgian Corporate Income Tax at the ordinary rate of 33.99 per cent. Capital losses on the Notes and/or Certificates are in principle tax deductible.

Payments of interest (as defined in the section "Tax treatment of Belgian resident individuals") on the Notes and/or Certificates made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). However, the interest can under certain circumstances be exempt from withholding tax, provided a special certificate is delivered. The Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions.

(iii) *Tax treatment of Organisations for Financing Pensions*

Belgian pension fund entities that have the form of an Organisation for Financing Pensions ("**OFP**") are subject to Belgian Corporate Income Tax (*"Vennootschapsbelasting" / "Impôt des sociétés"*). OFPs are subject to the following tax treatment in Belgium with respect to the Notes and/or Certificates.

Interest derived on the Notes and/or Certificates and capital gains realised on the Notes and/or Certificates will not be subject to Belgian Corporate Income Tax in the hands of OFPs. Any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions. Capital losses on the Notes and/or Certificates are in principle not tax deductible.

(iv) *Tax treatment of other Belgian legal entities*

Legal entities that are Belgian residents for tax purposes, i.e. that are subject to the Belgian tax on legal entities (*"Rechtspersonenbelasting" / "impôt des personnes morales"*), are subject to the following tax treatment in Belgium with respect to the Notes and/or Certificates.

Payments of interest (as defined in the section "Tax treatment of Belgian resident individuals") on the Notes and/or Certificates made through a paying agent in Belgium will in principle be subject to a 21 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium, i.e. without the intervention of a Belgian paying agent and without deduction of the Belgian withholding tax the legal entity itself is liable for the deduction and payment of the Belgian 21 per cent. withholding tax.

Capital gains realised on the sale of the Notes and/or Certificates are in principle tax exempt, unless the capital gain qualifies as interest (as defined in the section entitled "Individuals resident in Belgium"). Capital losses on the Notes and/or Certificates are in principle not tax deductible.

(v) *Tax treatment of Belgian non-residents*

The interest income on the Notes and/or Certificates paid to a Belgian non-resident outside of Belgium, i.e. without the intervention of a professional intermediary in Belgium, is not subject to Belgian withholding tax.

Interest income on the Notes and/or Certificates paid through a Belgian professional intermediary will in principle be subject to a 21 per cent. Belgian withholding tax, unless the holder is resident in a country with which Belgium has concluded a double taxation agreement and delivers the requested affidavit.

Non-resident holders that have not allocated the Notes and/or Certificates to business activities in Belgium can also obtain an exemption from Belgian withholding tax on interest if the interest is paid through a Belgian credit institution, a Belgian stock market company or a Belgian clearing or settlement institution and provided that the non-resident (i) is the owner or usufructor of the Notes and/or Certificates, (ii) has not allocated the Notes and/or Certificates to business activities in Belgium and (iii) delivers an affidavit confirming his non-resident status and the fulfilment of conditions (i) and (ii).

Non-resident holders using the Notes and/or Certificates to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident corporations (see above). Non-resident holders who do not allocate the Notes and/or Certificates to a professional activity in Belgium are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax.

(B) *EU Savings Directive*

Details of the EU Savings Tax Directive can be found at page 518 of this Base Prospectus, in the section entitled "The European Union Council Directive on the Taxation of Savings Income (the EU Savings Tax Directive)".

(i) *Individuals not resident in Belgium*

A Belgian paying agent within the meaning of the EU Savings Directive will exchange information with the country of tax residence of the beneficial owner regarding interest payments as defined by the EU Savings Directive. It concerns payments made to an individual, beneficial owner of the interest payments and resident in another EU Member State or resident in one of the Dependent and Associated Territories. Residual entities (in the meaning of the EU Savings Directive) are subject to a specific regime. The communicated information will include the identity and residence of the beneficial owner, the name and address of the paying agent, the account number of the beneficial owner and information concerning the interest payment. The exchange of information cannot be avoided by the submission of an affidavit.

(ii) *Individuals resident in Belgium*

An individual resident in Belgium will be subject to the provisions of the EU Savings Directive, if he receives interest payments from a paying agent (within the meaning of the Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, Curaçao, St. Maarten, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, Anguilla, the Cayman Islands or the Turks and Caicos Islands.

If the interest received by an individual resident in Belgium has been subject to a withholding tax under the EU Savings Directive (**"Source Tax"**), such Source Tax does not liberate the Belgian individual from declaring the interest income in the personal income tax declaration. The Source Tax will be credited against the personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excessive amount will be reimbursed, provided it reaches a minimum of € 2.5.

Belgian tax regime regarding Warrants

Investors are in principle subject to the following tax treatment with respect to the Warrants. Other rules can be applicable in special situations, such as when the return on the underlying is fixed in advance, in which case the holders of the Warrants may be subject to the tax regime applicable to the Notes and Certificates.

This summary does not address the tax consequences after the moment of exercise, settlement or redemption of the Warrants.

(A) *Belgian withholding tax and income tax treatment*

(i) *Tax treatment of Belgian resident individuals*

Individuals who are Belgian residents for tax purposes, i.e. individuals subject to the Belgian individual income tax (*"Personenbelasting" / "Impôt des personnes physiques"*), and who hold the Warrants as a

private investment, are in principle subject to the following tax treatment in Belgium with respect to Warrants.

Private individual investors are in principle not liable to income tax on gains realised on the disposal or settlement of Warrants held as a private investment. Losses are not tax deductible.

Other tax rules may be applicable with respect to Warrants that are held for professional purposes and transactions with Warrants falling outside the scope of the normal management of one's own private estate.

(ii) *Tax treatment of Belgian resident corporations*

Corporations that are Belgian residents for tax purposes, i.e., corporations subject to Belgian Corporate Income Tax (*"Vennootschapsbelasting" / "Impôt des sociétés"*), are in principle subject to the following tax treatment in Belgium with respect to Warrants. Belgian corporations will be subject to the Belgian corporate income tax of 33.99 per cent. on the gains realised on the disposal or cash settlement of the Warrants. Losses are in principle deductible.

However, in the event of a physical delivery of assets upon exercise of Warrants, Belgian corporations in principle have to record the assets received upon exercise at a value equal to the premium paid for the Warrants increased with the strike price of the Warrants.

(iii) *Tax treatment of a Organisations for Financing Pensions*

Belgian pension fund entities that have the form of an OFP are subject to Belgian Corporate Income Tax (*"Vennootschapsbelasting" / "Impôt des sociétés"*). OFPs are in principle subject to the following tax treatment in Belgium with respect to Warrants.

Belgian OFPs are not liable for income tax on gains realised on the disposal or settlement of the Warrants.

(iv) *Tax treatment of other Belgian legal entities*

Legal entities that are Belgian residents for tax purposes, i.e. that are subject to the Belgian tax on legal entities (*"Rechtspersonenbelasting" / "Impôt des personnes morales"*), are in principle subject to the following tax treatment in Belgium with respect to Warrants.

Belgian legal entities are in principle not liable to income tax on gains realised on the disposal or settlement of the Warrants. Losses are not tax deductible.

(v) *Tax treatment of Belgian non-residents*

Non-resident Warrant holders who do not allocate the Warrants to a professional activity in Belgium are not subject to Belgian income tax on gains realised on the disposal or settlement of the Warrants.

Non-residents who use the Warrants to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian residents.

Stock exchange tax and tax on repurchase transactions

A stock exchange tax will be levied on the purchase and sale in Belgium of the Notes and/or Certificates and/or Warrants on a secondary market through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.09 per cent. for Notes and/or Certificates and 0.22 per cent. for Warrants, with a maximum amount of € 650 per transaction and per party. A separate tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

A tax on repurchase transactions ("*taxe sur les reports*") at the rate of 0.085 per cent. subject to a maximum of € 650 per party and per transaction, will be due from each party to any such transaction entered into or settled in Belgium in which a professional intermediary for stock transactions acts for either party.

However, the tax on stock exchange transactions and the tax on repurchase transactions referred to above will not be payable by exempt persons acting for their own account, including non-residents (subject to certain formalities) and certain Belgian institutional investors, as defined in Articles 126-1.2 and 139 of the Code of various duties and taxes ("*Code des droits et taxes divers*").

Estate and gift tax

(A) *Individuals resident in Belgium*

An estate tax is levied on the value of the Securities transferred as part of a Belgian resident's estate.

Gifts of Securities in Belgium are subject to gift tax, unless the gift is made by way of a purely physical delivery of bearer Securities or otherwise without written evidence of the gift being submitted to the Belgian Tax Administration. However, estate taxes on donated Securities are avoided only if a person can demonstrate that the gift occurred more than three years preceding the death of the grantor.

(B) *Individuals not resident in Belgium*

There is no Belgian estate tax on the transfer of Securities on the death of a Belgian non-resident. Gifts of Securities in Belgium are subject to gift tax, unless the gift is made by way of a purely physical delivery of bearer Securities or otherwise without written evidence of the gift being submitted to the Belgian Tax Administration.

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.

Withholding tax

When the Issuer is not a Danish tax resident person, Denmark does not levy withholding tax on payments on Notes or Certificates.

Taxation of Certificates in General

(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 two categories depending on whether the interest rate and/or the principal is adjusted 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 45.5 per cent. (2012). Income taxable as interest is taxed as capital income in the income year in which it falls due.

(i) *Notes and Certificates not subject to Section 29, subsection 3 of the Capital Gains Act ("kursgevinstloven")*

Gains and losses on Notes and Certificates issued that are not subject to Section 29, subsection 3 of the Capital Gains Act, are included in the calculation of capital income. However, an immateriality threshold will apply to the effect that net gains and losses on (i) receivables not taxable according to

Section 29, subsection 3 of the Capital Gains Act, debt in currency other than Danish kroner ("**DKK**") and (iii) certain units in certain types of investment funds comprised by Section 22 of the Act on Capital Gains on Shares Act ("*aktieavancebeskatningsloven*"), below DKK 2,000 per year will not be included in the taxable income. Further, tax deductibility of losses realised on Notes and Certificates which are traded on a regulated market is subject to the Danish tax authorities having been notified of the acquisition of the Notes or Certificates as further outlined in Section 15 of the Capital Gains Act. Further, losses realised on Notes and Certificates on which Denmark pursuant to a tax treaty is prevented from taxing interest or gains will not be deductible.

The Notes and Certificates are taxed upon realisation, i.e. redemption or disposal. Gains and losses are calculated in 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.

(ii) *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 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 in this context 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. Further losses can be set off against gains realised on shares traded on a regulated market if the financial contract entails a right or an obligation to purchase or sell shares and the financial contract itself is traded on a regulated market. A further loss on such financial contracts can be deducted in the net gains realised by a spouse on shares traded on a regulated market of the same income year and carried forward for the net gains of financial contracts of the following income years.

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 ("*Virksomhedsskatteloven*"). 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) – (ii) above, and subject to the Act on Pension Yield ("*Pensionsafkastbeskatningsloven*") are taxed according the inventory-value principle, (see also (ii) above). Gains and losses and any income taxable as interest are included when calculating the annual taxable income from pension funds. The tax rate is 15.3 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, cf. Section 29, subsection 3 of the Capital Gains Act, 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 for Danish tax purposes.

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.

Withholding tax

Denmark does not levy withholding tax on payments on Warrants.

Taxation of warrants in general

Warrants are considered as financial contracts. Under Danish law, financial contracts including call and put options are governed by the Capital Gains Act ("*kursgevinstloven*"). Basically, this entails that gains and losses on the financial contracts (including any premium paid or received) are taxed separately from the underlying asset.

Certain financial contracts, including rights to subscribe for, purchase or sell shares, are however excluded from the Capital Gains Act and are taxed in accordance with the rules applying to shares. The Capital Gains Act 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. Further losses can be set off against gains realised on shares traded on a regulated market if the financial contract entails a right or an obligation to purchase or sell shares and the financial contract itself is traded on a regulated market. A further loss on such financial contracts can be deducted in the net gains realised by a spouse on shares traded on a regulated market of the same income year and carried forward for the net gains of financial contracts of the following income years.

(B) *Pension funds*

Warrants subject to taxation according to the Act on Pension Yield ("*pensionsafkastbeskatningsloven*") are taxed according the inventory-value (mark-to-market) principle. Gains and losses and any income are included when calculating the annual taxable income from pension funds. The tax rate is 15.3 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.

Danish implementation of the EU Savings Tax Directive

By virtue of sec. 8X of the Danish Tax Control Act ("*skattekontrolloven*"), 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.

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 or certificates 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 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.

Withholding tax

There is no Finnish withholding tax (*lähdevero*) applicable on payments made by the Issuer in respect of the Securities. However, Finland operates a system of preliminary taxation (*ennakonpidätys*) to secure payment of taxes in certain circumstances. In the context of the Securities, a tax of 30 per cent. will be deducted and withheld from all payments that are treated as interest or as compensation comparable or relating to gains arising from the redemption of the Notes and/or the Certificates, when such payments are made by the Finnish Programme Agent to individuals. Such preliminary tax will be used for the payment of the individual's final taxes.

Individuals

Income tax and capital gains – Notes and/or the Certificates

All capital income of individuals – including capital gains – is currently taxed at a rate of 30 per cent. or 32 per cent. for capital income exceeding € 50,000 annually. Capital losses are deductible from capital gains arising in the same year and the five 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. 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.

On the other hand, 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 five following years and also 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 five following 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.

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). Any interest or compensation comparable to interest paid on the Notes and/or the Certificates during their respective loan period constitutes normally also capital income of the individual.

Notwithstanding any of the above, Certificates that do not meet the characteristics of Notes, but that rather could be held comparable to Warrants are also likely to be taxed similarly to Warrants (see below).

Income tax and capital gains – Warrants

A gain arising from the disposal of the Warrants is 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 five following 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. Accordingly, taxation is not triggered on the exercise of a

physical delivery Warrant. Instead the sale of the underlying (third party) Reference Asset triggers capital gains taxation.

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 € 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 € 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 24.5 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 generally 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. Accordingly, taxation is not triggered on the exercise of a physical delivery Warrant. Instead the sale of the underlying (third party) Reference Asset triggers income taxation.

Gift and inheritance tax

Transfer of the Securities by way of gift, bequest or inheritance is subject to Finnish gift or inheritance tax for the beneficiary/transferee, if either the transferor or the transferee was resident of Finland for tax purposes at the time of the death or gift. Tax treaties may limit Finland's right to impose gift or inheritance tax on non-residents of Finland.

Non-resident holders

A holder of the Securities will generally not be subject to Finnish taxes on capital gains or interest payments if (i) such holder of Securities is not a resident of Finland and (ii) such holder of Securities does not carry on business in Finland or have a permanent establishment in Finland to which the Securities are attributable.

Finnish implementation of the EU Savings Tax Directive

Finland has implemented the EU Savings Tax Directive. In circumstances where the EU Savings Tax Directive applies, a Finnish paying agent (such as the Finnish Programme 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, if such interest payments are paid out to individuals not resident in Finland. The Finnish tax authorities will then provide to relevant the tax authorities of

another EU Member State (and certain non-EU countries) details of such payments of interest or other similar income.

Republic of France Taxation

The following is a summary of certain material French tax considerations relating to Securities issued to Holders resident in or otherwise subject to tax in France or 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 or on the purchaser's specific circumstances. The comments below only apply to Holders that are the beneficial owners of the Securities who acquire and hold the Securities as an investment and do not apply to dealers in Securities.

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 and the characteristics of the relevant Securities.

French Withholding tax

All payments of interest and redemption premium made under the Securities should be free of withholding tax in France, as long as the Issuer is not incorporated or otherwise acting through a French permanent establishment.

French resident individuals may however elect in certain circumstances to be subject to a final withholding tax – see below "Individuals resident in France: French Income and Capital Gains Tax – Investment in Notes and Certificates".

Individuals resident in France: French Income and Capital Gains Tax

Investment in Notes and Certificates (other than Certificates which would be classified as Warrants for French tax purposes)

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 41 per cent. Social contributions of 15.5 per cent. are also due. This income would also be included in the "reference income" on which the *contribution exceptionnelle sur les hauts revenus* would apply (see below).

However, when the Issuer of the Notes or Certificates and the Paying Agent are established in the EU or in an EEA Member State which has signed with France a convention on mutual administrative assistance to prevent international tax avoidance and tax evasion, the individual may, subject to certain conditions, elect to be subject to a final withholding tax levied at the rate of 24 per cent., plus the above social contributions of 15.5 per cent. (i.e. 39.5 per cent. in aggregate, plus the *contribution exceptionnelle* if applicable (see below)).

When the Paying Agent is French or acting through an establishment in France, it is responsible for making the withholding. If acting from an EU or EEA Member State other than France, 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 capital gains

Capital gains derived from the disposal of Securities classified as Notes or Certificates are subject to capital gains tax at the rate of 19 per cent. plus 15.5 per cent. social contributions (i.e. a global rate of taxation of 34.5 per cent.). Such gains would also be included in the "reference income" for the purpose of the *contribution exceptionnelle* (see below).

If the Holder 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.

The Notes and the Certificates are not eligible for the *plan d'épargne en actions* ("**PEA**").

Investment in Warrants

Profits realised outside France by non-professional individuals from the sale or exercise of Warrants ("*bons d'options*" or assimilated instruments) are taxed according to the standard progressive income tax schedule, whose top rate is currently 41 per cent., the above social contributions of 15.5 per cent. being also due. The *contribution exceptionnelle* could also apply (see below). According to the French tax authorities, profits from the sale or exercise of Warrants listed outside France are deemed to be realised outside France and are therefore taxed in accordance with the foregoing. 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 19 per cent. plus the 15.5 per cent. social contributions (and the *contribution exceptionnelle*) may apply to similar profits realised in France, provided the individual does not act on an habitual basis. Losses may be set off against profits of the same nature realised during the year or during one of the ten following years

The Warrants are not eligible for the *plan d'épargne en actions* (PEA).

Contribution exceptionnelle sur les hauts revenus

An exceptional contribution could be applicable to Holders. This tax takes the form of a levy equal to 3 per cent. of the fraction of the "reference" income above € 250,000 (or € 500,000 for a couple taxed on a joint basis) and 4 per cent. on "reference" income over € 500,000 (€ 1,000,000 for a couple). The contribution is levied on the "reference" income for the tax year in question, which would include income and gains realised in relation to Notes, Certificates and Warrants.

Holders subject to French corporate income tax

Income or gains in relation to the Securities 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 3.3 per cent. and 5 per cent. surtaxes are 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, it being noted however that carry forward losses can only be offset against profits of a given year up to an amount of € 1,000,000 plus 60 per cent. of the taxable profit of that year).

Interest payments are taxed on an accruals basis. Any redemption premium would be taxable upon receipt unless the estimated value of the redemption premium exceeds 10 per cent. of the purchase value of the instrument and the issue price is less than 90 per cent. of the estimated redemption value, in which case the taxation of this premium would be spread over the life of the instrument.

The timing of recognition of income, gains or losses in relation to the holding or disposal of the Securities may vary, depending on the characteristics of the Securities.

Investors residing abroad

In principle, income or gains derived from the Securities by non-resident individuals or companies are not subject to taxation in France, provided that the Securities are not booked in a permanent establishment or a fixed base they have in France.

Transfer tax

Subscription or transfers of the Securities would not be subject to transfer tax or stamp duty in France.

Gift and Inheritance Taxes

French gift or inheritance taxes would not be levied on the transfer of a Security by way of gift by, or on the death of, a Holder, unless, subject to applicable double tax treaty provisions:

(a) the Holder is resident of France; or

(b) the beneficiary is resident of France and has been so resident for at least six years over the ten preceding years; or

(c) if both the Holder and the beneficiary are residents outside of France, the transferred assets are located in France.

Assets regarded as located in France would include receivables over a debtor which is established in France.

Applicable brackets and rates vary depending in particular on the relationships between the individuals concerned.

Wealth Tax applicable to Individuals

The value of the Securities at 1 January of each year will, in general and subject to applicable double tax treaty provisions or specific rules in relation to new residents, be included in the French resident Holder's taxable assets. Wealth tax is levied from the first euro at a rate of 0.25 per cent. (for taxpayers whose taxable net worth is between € 1,300,000 and € 3,000,000) or 0.50 per cent. (for taxpayers whose taxable net worth is above € 3,000,000).

Non-residents are only subject to French wealth tax on their French assets but are generally exempt in relation to their financial investments, even if regarded as French assets.

Paying Agent or Custodian located in the Republic of 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.

More details of the EU Savings Tax Directive can be found on page 518 in the section entitled " *The European Union Council Directive on the Taxation of Savings Income (the EU Savings Tax Directive)*".

Withholding obligation

When a French resident individual Holder has elected to be subject to a final withholding tax on interest and redemption premiums on Notes or Certificates classified as Notes for French tax purposes, the paying agent is responsible for making the withholding (see above - "Individuals resident in France: French Income and Capital Gains Tax – Investment in Notes and Certificates").

Germany Taxation

The following discussion is a summary of certain material German tax considerations relating to (i) 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 receipt.

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 could 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 securities 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 receipt.

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 securities 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 on 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.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to the Securities will generally arise under German law, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of the Federal Republic of Germany and such Security is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed in the Federal Republic of Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in the Federal Republic of Germany.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in the Federal Republic of Germany in connection with the issuance, delivery or execution of the Notes. Currently, wealth tax (*Vermögensteuer*) is not levied in the Federal Republic of Germany.

Investors are recommended to consult their own tax advisors as to the individual tax consequences arising from the investment in the Securities.

Italy 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.

Italy Taxation of Notes

Legislative Decree No. 239 of 1 April 1996 ("**Decree 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 in the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, inter alia, by a non-Italian resident issuer.

Italian resident Holders

Where the Italian resident Holder of the Notes 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 20 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 income taxation (and, in certain circumstances, depending on the "status" of the Holder, also to the regional tax on productive activities ("**IRAP**")).

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 Revenue Agency (*Agenzia delle Entrate*) 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.

If the investor is an open-ended or closed-ended investment fund or a SICAV established in Italy and either (i) the fund or SICAV or (ii) their manager is subject to the supervision of a regulatory authority (the "**Fund**"), and the relevant Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund. The Fund will not be subject to taxation on such results but a substitute tax of 20 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Substitute Tax**").

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 239, *imposta sostitutiva* is applied by banks, Italian investment companies (*società di 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.

Non-Italian Resident Holders

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.

Atypical securities

Interest payments relating to Notes that are neither deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) would be subject to a withholding tax, levied at the rate of 20 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 20 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.

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 non-Italian

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 Holder, 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 is an individual not holding the Notes in connection with an entrepreneurial activity and certain other persons, any capital gain realised by such Holder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 20 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 20 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 Fund will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio. Such result will not be taxed with the Fund, but subsequent

distributions in favour of unitholders or shareholders may be subject to the Collective Investment Fund 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.

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 Revenue Agency (*Agenzia delle Entrate*) through Circular No. 47/E of 8 August 2003, capital gains realised from the disposal of the Notes by 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.

Capital gains realised by non-Italian resident Holders of Notes from the sale or redemption of the Notes are not subject to Italian taxation, provided that the Notes (i) are traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

Italian Taxation of Warrants and Certificates

Pursuant to Article 67 of the Presidential Decree No. 917 of 22 December 1986 (the "**IITCC**") 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 20 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 and, in certain circumstances, depending on the "status" of the investors also as a part of the net value of production for IRAP purposes.

Capital gains realised by non-Italian resident Holders from the sale and redemption of Warrants and Certificates are not subject to Italian taxation, provided that the Warrants and Certificates are (i) traded on regulated markets, or (ii) if not traded on regulated markets, are held outside Italy.

Atypical securities

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 20 per cent.

The 20 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. This withholding is levied by any entities, resident in Italy, which intervene, in any way, in the collection of payment or transfer of the Certificates.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006 converted into Law No. 286 of 24 November 2006, as subsequently amended, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

(a) 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 €1,000,000;

(b) 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 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 €100,000; and

(c) any other transfer is, in principle, 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

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 are subject to fixed registration tax at rate of € 168; (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

Stamp duty

Pursuant to Article 19(1) of Decree No. 201 of 6 December 2011 ("**Decree 201**"), a proportional stamp duty applies on an annual basis to the periodic reporting communications sent by financial intermediaries to their clients for the Securities deposited therewith. The stamp duty applies at a rate of 0.1 per cent. for 2012 and at 0.15 per cent. for subsequent years; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Securities held. The stamp duty can be no lower than € 34.20 and, for 2012 only, it cannot exceed € 1,200. Although the stamp duty is already applicable, certain aspects of the relevant discipline should be clarified and implemented by a Decree of the Ministry of Economy and Finance.

Under a preliminary interpretation of the law, it may be understood that the stamp duty applies both to Italian resident and non-Italian resident Holders of Securities, to the extent that the Securities are held with an Italian-based financial intermediary.

Wealth Tax on Securities deposited abroad

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Securities outside Italian territory are required to pay an additional tax at a rate of 0.1 per cent. for 2011 and 2012, and at 0.15 per cent. for subsequent years.

This tax is calculated on the market value of the Securities at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the state where the financial assets are held (up to an amount equal to the Italian wealth tax due). Although the wealth tax is already applicable, certain aspects of the relevant discipline should be clarified and implemented by a Decree of the Ministry of Economy and Finance.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information

exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Italian Implementation of the EU Savings Directive

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree 84**"). Under Decree 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 report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner and shall not apply the withholding tax. 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 individual 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 individual a true, complete and correct statement of the amount of the profits and gains arising to that individual from that individual's holding of Securities.

A company which hold Securities and which is resident for tax purposes in Jersey will be subject to income tax in Jersey in respect of the Securities at a rate of zero per cent. unless it (i) owns land in Jersey, (ii) is a financial services company, a specified utility company or an importer or supplier of hydrocarbon oil for the purposes of Income Tax (Jersey) Law 1961, or (iii) is a registered person under Article 118C of the Income Tax (Jersey) Law 1961.

No capital gains tax, capital transfer tax, wealth or inheritance tax is levied in Jersey.

No stamp duties are payable in Jersey on the acquisition, ownership, exchange, sale or other disposition *inter vivos* of Securities. Stamp duty of up to 0.75 per cent. is payable on the grant of probate or letters of administration in Jersey in respect of a deceased natural person (i) who died domiciled in Jersey, on the value of the entire estate (including any Securities or interests therein) and (ii) otherwise, on the value of so much of the estate (including any Securities or interests therein), if any, as is situated in Jersey.

Liechtenstein Taxation

The following is a summary of certain material Liechtenstein tax consequences applicable to individual and corporate investors without any considerations in relation to double taxation agreements. The summary is based on the legislation at the date of this document and is intended to provide general information only, whereas it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or sell of the Securities. It is recommended and advisable that potential investors consult their own tax advisors for information with respect to his or her special tax consequences that may arise as a result of holding such Securities, including the provisions contained in double taxation agreements. The Issuers make no representations regarding the tax consequences discussed hereinafter.

Withholding tax

There is no Liechtenstein withholding tax applicable on payments made by the Issuers in respect of the Securities to investors having their residence or habitual abode in Liechtenstein (each such investor, a "**Resident Individual**").

Payments made via a Liechtenstein paying agent to investors having their residence or habitual abode in an EU member state are dealt below under the heading "Liechtenstein implementation of the EU Savings Tax Directive".

Income tax and wealth tax

Capital gains and profits from the sale of the Securities earned by Resident Individuals subject to unrestricted taxation in Liechtenstein on their wealth and income are exempt from income tax if the Securities themselves are subject to wealth tax. A Resident Individual's taxable net wealth is multiplied by an interest rate annually determined anew by the Finance Act. The resulting amount is incorporated into the basis for the calculation of the income tax.

Individuals other than Resident Individuals are not subject to wealth tax in respect of the Securities nor income tax on the capital gains or profits earned from sales of the Securities.

Corporate tax

Legal entities including corporations of any kind, foundations, establishments, trust enterprises, UCITS and investment enterprises are subject to ordinary corporate tax if they have their domicile or effective place of management in Liechtenstein (each a "**Resident Corporate Taxpayer**"). Resident Corporate Taxpayers have to include capital gains and profits from the sale of the Securities in the total of their corporate income (reduced by allowable expenses) in order to calculate the taxable net corporate income which is then subject to corporate tax at the rate of 12.5 per cent.

Certain exemptions exist including income derived from managed assets in accordance with the Act on UCITS or the Investment Undertaking Act and qualifying assets of legal entities subject to the Pension Funds Act which are tax exempt.

Legal entities other than Resident Corporate Taxpayers are not subject to ordinary corporate income tax in respect of capital gains and profits earned from the sale of the Securities, unless such capital gains and profits form part of the net corporate income of a Liechtenstein permanent establishment of that legal entity.

Private assets structures

Legal entities subject to ordinary corporate tax in Liechtenstein that qualify as Private Assets Structures as defined in Article 64 of the Tax Act (formerly Offshore Companies not pursuing a commercial purpose) are subject to an annual tax of CHF 1,200 if they are acting in the interest of the private wealth of one or more natural persons. Capital gains or profits earned from the sale of the Securities are then not subject to any additional tax apart from the one stated above.

Stamp taxes

Based on the Customs Treaty between Liechtenstein and Switzerland and the respective Liechtenstein enactments thereto Swiss federal stamp tax is applicable in Liechtenstein. See "Swiss Federal Stamp Tax" at pages 508-509 of the Base Prospectus.

Gift and inheritance tax

Effective 1 January 2011 Liechtenstein gift and inheritance tax has been abolished.

Liechtenstein implementation of the EU Savings Tax Directive

Based on a treaty between Liechtenstein and the European Community dated 7 December 2004, Liechtenstein has by national legislation enacted equivalent measures to those set forth in the EU Savings Tax Directive. Therefore, a Liechtenstein paying agent is obliged to deduct on interest paid to individuals having their residence or habitual abode in a EUR member state a saving tax of 35 per cent. for those made since 1 July 2011. As an alternative the individual concerned may opt for a voluntary disclosure by giving express authorisation to the paying agent to notify the competent Liechtenstein authority of all relevant details of the interest payment, among others the identity and the domicile of the recipient, the account no. or the specification of the claim for which the interest is paid, which on its part forwards said information to the competent foreign tax authority.

Grand Duchy of Luxembourg Taxation

The following discussion is a summary of certain material Luxembourg tax considerations relating to (i) Securities issued by any of the Issuers where the Holder is tax resident in Luxembourg or has a tax presence in Luxembourg, or (ii) Securities where the Paying Agent is located in Luxembourg.

Notes and Certificates

Resident individuals

Under the Luxembourg law of 23 December 2005 introducing withholding tax on certain interest payments derived from savings income, interest on Notes and Certificates paid by a Luxembourg paying agent to an individual Holder who is a resident of Luxembourg not holding the Notes or 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 (see below under "*Securities where the Paying Agent is located in Luxembourg*").

An individual Holder who is a resident of Luxembourg not holding the Notes or Certificates as business assets will not be subject to taxation on capital gains (including foreign exchange gains) upon the disposal of the Notes or Certificates, unless the disposal of the Notes or Certificates precedes their acquisition or the Notes and Certificates are disposed of within six months of the date of acquisition. Upon redemption or exchange of the Notes or 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 Note or Certificate who is a resident of Luxembourg holding the Notes or 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 Notes or Certificates paid by a Luxembourg paying agent to holders of a Note or Certificate who are not individuals will not be subject to any withholding tax.

Save where the holder of a Note or 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 Note or Certificates is connected, must, for corporate tax purposes, include in his taxable income (i) any interest received or accrued on the Notes or 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 Notes or Certificates sold or redeemed (including foreign exchange gains).

Non-Residents

A holder of Notes or Certificates will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes or Certificates or the execution, performance and/or delivery of the Notes or Certificates.

Warrants

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 raise 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.

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.

Other Taxes

Luxembourg net wealth tax will not be levied on a holder of Securities, unless the Holder is an undertaking with a collective character resident in Luxembourg; or the Securities 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 Securities or the performance of the Issuer's obligations under the Securities, except that court proceedings in a Luxembourg court or the representation of the Securities to an "*autorité constituée*" could imply registration of the Securities at a fixed registration duty.

Securities where the Paying Agent is located in Luxembourg

Resident Holders

If interest on Securities is paid 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 Luxembourg, such individual Holder will be subject to a withholding tax of ten per cent. which will operate as a full discharge of income tax due on such payments.

In case interest on Securities is paid 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.

Non-resident Holders

Under the existing laws of Luxembourg and except as provided for by the Luxembourg laws 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 Securities made to non-residents of Luxembourg through a paying agent established in Luxembourg.

Luxembourg implementation of the EU Savings Tax Directive

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 35 per cent. thereafter. 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.

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

Withholding tax

There is no Norwegian withholding tax applicable on payments made by the Issuer in respect of the Securities.

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 evaluated 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

Both settlement at the end of the term and sale 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.

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.

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 on net wealth 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.

Legal entities

There is no Norwegian withholding tax applicable on payments made by the Issuer in respect of the Securities.

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.

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, capital gains realised are not subject to tax. According to the preparatory works to the exemption method, 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. In practice, this has been interpreted so that at least 90 per cent. of the index must consist of shares in companies resident within the European Economic Area. The exemption method will only apply as long as the financial instrument in question is not regarded as a debt instrument.

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.

Poland Taxation

The following information of certain Polish taxation matters is based on the laws and practice 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 information does not purport to be a comprehensive description of all the tax consequences and considerations that may be relevant to acquisition, holding, disposing and redeeming of or cancelling (as applicable) the Securities, and does not purport to deal with the tax consequences applicable to all categories of investors. The following information is based on the assumption that no Agent is located in Poland. The following information is not intended to be, nor should it be construed to be, legal or tax advice. It is recommended that potential purchasers of the Securities consult with their legal and tax advisors as to the tax consequences of the purchase, holding, sale or redemption.

Withholding tax

No withholding tax will be levied on Poland on interest earned under the Securities.

Taxation of income

Polish resident individuals

Individuals having their place of residence in Poland ("**Polish Resident Individuals**") are subject to Polish Personal Income Tax ("**PIT**") on their worldwide incomes irrespective of the country from which the incomes were derived. Income earned by Polish Resident Individuals on the disposal or redemption of Securities should not be combined with income from other sources but will be subject to the 19 per cent. flat PIT rate. The income is calculated as the difference between the revenue earned on the disposal or redemption of Securities (in principle, the selling price or redemption amount) and the related costs (in principle, the issue price). The tax is settled by Polish Resident Individuals on an annual basis. An annual tax return should be filed by Polish Resident Individuals by April 30 of the calendar year following the year in which the income was earned.

Interest under Securities earned by a Polish Resident Individuals should not be combined with income from other sources and will be subject to the 19 per cent. flat PIT rate. The tax is settled by Polish Resident Individuals on an annual basis. An annual tax return should be filed by Polish Resident Individuals by April 30 of the calendar year following the year in which the income was earned. In the event tax is withheld in the jurisdiction of the Issuer on interest payments, such tax may be generally deductible (in full or part) against tax payable in Poland on that interest income.

Polish resident entities

Entities having their seat or place of management in Poland ("**Polish Resident Entities**") are subject to Polish Corporate Income Tax ("**CIT**") on their worldwide incomes irrespective of the country from which the incomes were derived. Income earned by Polish Resident Entities on the disposal or redemption of Securities is subject to the 19 per cent. CIT rate. The income is calculated as the difference between the revenue earned on the disposal or redemption of Securities (in principle, the selling price or redemption amount) and the related costs (in principle, the issue price). Tax advances are generally paid by the Polish Resident Entities on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made by the Polish Resident Entities in the annual CIT return filed within three months of the end of the tax year.

The amount of interest earned by a Polish Resident Entity under Securities is subject to the 19 per cent. CIT rate. Tax advances are generally paid by the Polish Resident Entities on a monthly basis (however, some categories of CIT taxpayers may pay tax advances on a quarterly basis). The final tax reconciliation is made by the Polish Resident Entities in the annual CIT return filed within three months of the end of the tax year. In the event tax is withheld in the jurisdiction of the Issuer on interest payments, such tax may be generally deductible (in full or part) against tax payable in Poland on that interest income. However, this deduction can only be made provided that there is a treaty between Poland and the country of the Issuer's residence which gives legal basis for the exchange of tax information between these countries.

Non-resident individuals and entities

Individuals and entities that are Polish non-residents will not generally be subject to Polish taxes on income resulting from the disposal or redemption of Securities unless such income is attributable to an enterprise which is either managed in Poland or carried on through a permanent establishment in Poland. However, some double tax treaties concluded by Poland may provide for a different tax treatment (for example, in case of the disposal of share/securities in a real estate company). In addition, in the case of individuals resident in a country which does not have a double tax treaty with Poland, there may be a risk of taxation of the types of income referred to in this paragraph, in the case of the disposal/redemption of Securities quoted on the Warsaw Stock Exchange.

Taxation of inheritances and donations

The Polish tax on inheritance and donations is paid by individuals who received title to property rights exercised outside the territory of Poland (including, *inter alia*, the Securities) by right of succession, as legacy, further legacy, testamentary instruction or gift only if at the moment of the acquisition of these property rights the acquirers were the Polish citizens or had residence within the territory of Poland. The rates of tax on inheritances and donations vary depending on the degree of kinship by blood, kinship through marriage or other types of personal relationships existing between the testator and the heir, or between the donor and the donee (the degree of the kinship is decisive for the assignment to a given tax group). The tax rate varies from 3 per cent. to 20 per cent. of the taxable base depending on the tax group to which the recipient was assigned. Acquisition of ownership or property rights (including Securities) by a spouse, descendants, ascendants, stepchildren, siblings, stepfather or stepmother is tax exempt if the beneficiary notifies the head of the competent tax office of the acquisition within six months of the day when the tax liability arose or, in the case of an inheritance, within six months of the day when the court decision confirming the acquisition of the inheritance becomes final. If that condition is not complied with, the acquisition of ownership or property rights is subject to tax in accordance with the rules applicable to acquirers falling within the first tax group.

Tax on civil law transactions

Generally tax on civil law transactions at the rate of 1 per cent. is levied on the sale or exchange of property rights (e.g. rights attributable to securities) exercised in Poland. The tax is payable by the purchaser of the rights. The tax is also imposed on agreements for the sale or exchange of the rights exercised outside Poland only if the sale or exchange agreement is concluded in Poland and the purchaser has a place of residence or seat in the territory of Poland. The rights attributable to the Securities should be treated as property rights exercised in the Republic of Poland. Therefore, the sale or exchange of the Securities will generally be subject to the tax on civil law transactions. However, the sale of Securities (i) to investment firms (including foreign investment firms), or (ii) via investment firms (including foreign investment firms) acting as intermediaries, or (iii) the sale of the Securities either on the Warsaw Stocks Exchange or on any multilateral trading facility operating in accordance with relevant regulations (i.e. in the "**Organised trading**"), or (iv) outside the Organised trading by investment firms (including foreign investment firms) if the Securities had been acquired by such firms as a part of Organised trading - is exempt from tax on civil law transactions.

Other Taxes

No other Polish taxes should be applicable to the Securities.

Polish implementation of the EU Savings Tax Directive

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, Poland will provide to the tax authorities of another EU member state (and certain non-EU countries and associated territories specified in that directive) details of payments of interest or other similar income paid or made available by a person having its seat within Poland to, or collected by such a person for, an individual resident in such other state.

Portugal Taxation

The following discussion is a summary of certain material Portuguese tax considerations relating to Securities issued by any of the Issuers in particular if the Holder is tax resident in Portugal or

otherwise subject to tax in Portugal and the relevant Issuer is not tax resident in Portugal and does not have a permanent establishment in Portugal.

This information is of a general nature and does not purport to be a comprehensive description of all Portuguese tax consequences that may be relevant to any particular Holder and to a decision to acquire, to hold and to dispose of the Securities.

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. The information herein included was not subject to confirmation by the Portuguese tax authorities through a specific tax ruling or otherwise. 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 this summary.

The references to "interest", "investment income" and "capital gains" in the paragraphs below mean "interest", "investment income" and "capital gains" as understood in Portuguese tax law. The statements below do not take any account of any different definitions of "interest", "investment income" and "capital gains" which may prevail under any other law or which may be created by this Base Prospectus or any related documentation.

Each potential Holder should consult a professional tax adviser as to the tax consequences relating to its particular circumstances and the characteristics of the relevant Securities resulting from subscription, purchase, ownership and disposition of the Notes, Certificates and Warrants.

Withholding tax

See below under (A) "*Individual investors resident in Portugal*": where there is a Paying Agent established in Portugal, withholding tax will apply to certain income.

Income/Capital Gains/Corporate Tax

Investors resident in Portugal

Payments of principal in respect of the Securities to corporate entities or to individuals are not subject to tax in Portugal. For these purposes, principal shall mean all payments received by the investor without any remuneration component.

(A) Individual investors resident in Portugal

(i) Notes and Certificates that guarantee the repayment of the invested amount

(a) Investment income

Income generated by the holding of Notes or Certificates that provide for the repayment of the invested amount, qualifies as investment income (e.g., interest) and is subject to Portuguese individual income tax. Investment income includes also accrued interest (if the Security is transferred while interest is accruing) and the positive difference, if any, between the repayment amount and the issue price of the Security.

This investment income is subject to taxation at a flat rate of 25 per cent., unless the individual elects to include the income (along with other income subject to taxation) in his taxable income, in which case it will be subject to tax at progressive rates of up to 46.5 per cent. Additionally, taxable income exceeding € 153,300 is subject to an additional rate of 2.5 per cent. Please note that this surtax on individual income only applies to income earned in the 2012 and 2013 tax years.

Withholding tax will apply at a rate of 25 per cent. if the Paying Agent is established in Portugal. The tax withheld represents the final tax due, unless the individual elects to include the income in his taxable income, in which case it will be subject to tax at progressive rates of up to 46.5 per cent. and the tax withheld will be deemed a payment on account of the final tax due. Additionally, taxable income exceeding €

153,300 is subject to an additional rate of 2.5 per cent. Please note that this surtax on individual income only applies to income earned in the 2012 and 2013 tax years.

A final withholding tax at a rate of 30 per cent. will apply if the investment income is paid or made available via a bank account for the benefit of undisclosed third parties to the account, by a Paying Agent established in Portugal, unless the identity of the beneficial owner of the income is disclosed, in which case the general rules apply.

A final withholding tax at a rate of 30 per cent. will apply (or a final taxation at a rate of 30 per cent. when such withholding tax at source does not apply) to investment income paid or made available to individuals tax resident in Portugal by non-resident entities with no permanent establishment in Portugal, which are domiciled in low tax jurisdictions. Please note this tax rate will be applicable if the counterparty is JPMI.

(b) Capital gains

Other income/earnings arising from the Notes or the Certificates (e.g., income other than accrued interest, earned by selling the Notes or the Certificates) will qualify as capital gains and is/are subject to taxation at a flat rate of 25 per cent., unless the individual elects to include the income (along with other income subject to taxation) in his taxable income, in which case it will be subject to tax at progressive rates of up to 46.5 per cent. Additionally, the taxable income exceeding € 153,300 is subject to an additional rate of 2.5 per cent. Please note this surtax on individual income only applies to income earned in the 2012 and 2013 tax years.

Broadly, the taxable base is comprised of the positive difference between capital gains and capital losses in a given year and a tax exemption may apply to taxable bases of an amount up to € 500 (small investors exemption).

Capital losses will not be allowed for tax purposes if the counterparty to the transaction is domiciled in a low tax jurisdiction.

(ii) (a) Notes and Certificates that do not guarantee the repayment of the invested amount and (b) Warrants

Interest and other remuneration, if any, arising from the Securities will qualify as investment income. The tax regime described above concerning investment income will generally apply.

Other income arising from the Securities (e.g., earnings arising from an increase in the market value of the underlying assets) will qualify as capital gains. The tax regime described above concerning capital gains will generally apply. Please note that capital losses will not be allowed for tax purposes if the counterparty is JPMI.

(B) Corporate entities (as investors) resident in Portugal

Income, including capital gains, arising from the Securities will be subject to tax in Portugal at a maximum rate of 26.5 per cent. Additionally, taxable income in excess of € 1,500,000 is subject to a state surtax rate of 3 per cent., while taxable income in excess of € 10,000,000 is subject to a tax rate of 5 per cent.

As referred to above, a final withholding tax at a rate of 30 per cent. will apply if the investment income (as defined above while describing the tax regime for individuals tax resident in Portugal) is paid or made available via a bank account for the benefit of undisclosed third parties to the account, by a Paying Agent established in Portugal, unless the identity of the beneficial owner of the income is disclosed, in which case the general (individual income tax or corporate income tax, as the case may be) rules apply.

Investors not resident in Portugal

Investors not resident in Portugal and without a permanent establishment in Portugal to which the income/capital gain is attributable, will not be subject to tax in Portugal by means of withholding tax or otherwise.

As referred to above, a final withholding tax at a rate of 30 per cent. will apply if the investment income (as defined above while describing the tax regime for individuals tax resident in Portugal) is paid or made available via a bank account for the benefit of undisclosed third parties to the account, by a Paying Agent established in Portugal, unless the identity of the beneficial owner of the income is disclosed, in which case the general rules apply.

Stamp Tax

Lending/Borrowing

The subscription of the Securities (including the repayment of the invested amount to investors) is not subject to stamp tax in Portugal.

Gift/Inheritance Tax

Gift/inheritance tax is part of the stamp tax. The individual investor, whether resident or not resident in Portugal, will not be subject to gift or inheritance tax in Portugal. The same applies to the corporate investor not resident and without a permanent establishment in Portugal.

Any gift or inheritance comprising Securities benefiting a corporate investor resident in Portugal will be subject to corporate tax in Portugal.

Transfer Tax

Transfer of the Securities is not subject to transfer tax in Portugal.

Paying Agent or Custodian Located in Portugal

It is irrelevant whether a Custodian is located in Portugal. As for a local Paying Agent, see (A) "Individual investors resident in Portugal" above and "Portuguese Implementation of the EU Savings Tax Directive" below.

Portuguese Implementation of the EU Savings Tax Directive

Portugal has transposed the European Council Directive 2003/48/EC of 3 June 2003 into Portuguese law. Broadly, a reporting obligation to the Portuguese tax authorities will arise in respect of the payment of interest to, or the collection of interest for, an individual resident in another EU member State, by a Paying Agent located in Portugal. The Portuguese tax authorities, in turn, will provide to the tax authorities of the other EU member state details of the payment of the interest reported by the Paying Agent.

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, unless otherwise stated. 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. The summary does, moreover, not cover Securities held on a so-called investment savings account (Sw: investeringssparkonto). Special tax consequences that are not described below may also apply for certain categories of taxpayers, including investment companies and mutual funds. 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.

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.

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 (except for options and forward contracts) 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 Official List and admitted to trading 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 receivables denominated in foreign currency are also 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 more 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 the section entitled "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 the section entitled "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 the section entitled "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 the section entitled "Individuals, Capital gains and losses" above.

Stamp duty

There is no stamp duty on the issuing, transfer or redemption of Securities in Sweden.

Gift, Inheritance and Wealth taxes

There is no gift, inheritance or wealth tax 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.

Taxation of non-residents in Sweden

Holders of Securities who are not fiscally resident in Sweden and who are not carrying on business operations from a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation on the disposal of Securities. The holders may, nevertheless, be subject to tax in their country of residence. However, as far as non-resident individuals are concerned, capital gains on the sale of certain Securities (such as securities taxed in the same manners as shares) may in some cases be subject to Swedish tax if the individual has been resident or permanently lived in Sweden at any time during the calendar year of the sale or any of the 10 preceding calendar years. This provision is, nevertheless, in many cases limited by tax treaties for the avoidance of double taxation, which Sweden has concluded with other countries.

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 is a summary based 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.

Swiss Withholding Tax

Payments under the Securities will not be subject to Swiss federal withholding tax.

On 24 August 2011 the Swiss Federal Council issued draft legislation, which, if enacted, may require a paying agent in Switzerland to deduct Swiss withholding tax at a rate of 35 per cent. on any payment under a Security, which is classified as interest, to an individual resident in Switzerland (including if to an entity treated fiscally transparent and interest therein is held by such an individual resident in Switzerland) or to a person (not only individual) resident outside Switzerland (see below "—Income Taxation, Securities held as Private Assets by a Swiss resident Holder, "paragraph (a)" Structured Securities" as concerns the interest classification of payments).

Income Taxation

Securities held as Private Assets by a Swiss resident Holder

(a) *Structured Notes*

If a Security classifies as a structured Security, i.e. as derivative financial instrument(s) with a bond-like prefunding component embedded therein, its income taxation depends on whether (i) the embedded bond component and the embedded derivative financial instrument(s) are reported separately from each other, or, if the Security is a standard product, alternatively the values of the embedded bond component and the embedded derivative financial instrument(s) can at any time be determined analytically by using standard valuation programs, and (ii) the Security classifies as a structured product 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) and if the conditions for analytical determination of the values of the embedded bond and the embedded derivative financial instrument(s) set forth above do not apply, then 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) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium (see below "—Transparent derivative financial instruments with a predominant one-time interest payment"), then a person who is an individual resident in Switzerland holding such a Security as a private asset is required to include any periodic and one-time interest payments received on the Security in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Optium premium received, and a gain, including in respect of interest accrued, a loss, respectively, realised on the sale of such a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

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) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if 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 a person who is an individual resident in Switzerland holding such a Security as a private asset, is required to

include any periodic interest payments received on the Security and, in addition, any amount equal to the difference between the value of the Security at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Any compensation received by such a holder for the embedded derivative, i.e., optium premium received, and any residual gain, and a loss, respectively, realised on the sale of such a Security is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. However, notwithstanding the foregoing, such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Security against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

(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 (i.e., the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium), then a person who is an individual resident in Switzerland holding such a Security as a private asset is required to include any periodic and one-time interest payments received on such Security, converted into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain, including, *inter alia*, in respect of interest accrued or foreign exchange rate, a loss, respectively, realised on the sale of such 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 of which 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 a person who is an individual resident in Switzerland holding such a Security as a private asset, is required to include any periodic interest payments received on the Security and, in addition, any amount equal to the difference between the value of the Security at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, i.e., including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Security against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

(c) *Pure Derivative Financial Instruments*

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, 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 discount certificates with a maturity not exceeding twelve months) and which is held as part of the individual's private assets is a tax-free private capital gain. Conversely, a capital loss realised on the sale or redemption of such a Security cannot be set off against taxable income. Dividend equalisation payments on such a Security constitute taxable investment income.

(d) *Low Exercise Price Warrants*

A fully pre-funded call option with a term of not more than one year classifies as pure derivative financial instrument (see taxation treatment above "—Pure Derivative Financial Instruments"). If the term of a call option exceeds one year and the instrument underlying the call option is pre-financed by 50 per cent. or more at the time of issuance then the interest component embedded in such an instrument (i.e., issue discount) constitutes taxable interest income (see taxation treatment above "—Structured Notes ".

(e) *Fund-like Securities*

A Security which is 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 costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Security as part of his or her private assets receives taxable income (which he or she must report annually) over such portion of 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 is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like Security (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised on such a Security 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.

Capital Gains Taxation

Securities held as Private Assets by a Swiss resident Holder

A gain, a loss, respectively, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Security held as part of his or her private assets is a tax-free private capital gain, a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as "professional securities dealer" he or she will in accordance with the principles set forth above under "—Securities held as Assets of a Swiss Business". Concerning the bifurcation of a tax-exempt capital gains component, non-tax deductible capital loss component, respectively, from taxable income components of a Security see the bifurcation principles set forth above with regard to the different instruments under "—Income Taxation, Securities held as Private Assets by a Swiss resident Holder").

Securities held as Assets of a Swiss Business

Capital gains realised on Securities held as Assets of a Swiss Business are taxed in accordance with the taxation principles set forth above under "—Income Taxation, Securities held as Swiss Business Assets").

Swiss Federal Stamp Taxes

The issuance of Securities to the initial holders at the original offering price (primary market) is not subject to the Swiss federal issuance stamp tax and the Swiss federal securities turnover tax (*Umsatzabgabe*), except that the issuance of Securities which are classified as fund-like instruments

may be subject to Swiss federal securities turnover tax of up to 0.3 per cent. on the offering price, 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, additionally, if no exemption applies.

Dealings in Securities (secondary market) 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., fully-funded Securities statically replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are exempt from Swiss federal securities turnover tax. Dealings in other Securities may be subject to Swiss federal securities turnover tax of up to 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, additionally, if no exemption applies.

The physical delivery of a security at exercise or redemption to the holder of the Security may be 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 delivery and, additionally, if no exemption applies.

Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international situation, transfers of Securities may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Securities are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (i.e. the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at low rates (up to 6 per cent.). Gifts and inheritances received from unrelated persons attract rates ranging from 20 per cent. to 40 per cent. The taxable base is usually the market value of the property transferred.

Net Worth and Capital Taxes

A holder of Securities who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Securities as part of a Swiss business operation or a Swiss permanent establishment is required to report Securities as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Securities), in the case of a non-Swiss resident individual holding Securities as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Securities are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Securities as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes are levied at the federal level.

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 a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will in respect of such Security not be subject to income tax in Switzerland.

Swiss Implementation of the EU Savings Tax Directive

The Agreement between the European Community and the Confederation of Switzerland dated as of 26 October 2004 provides for measures equivalent to those laid down in the EU Savings Tax Directive and requires a Swiss paying agent to deduct EU savings tax on an interest payment to an individual resident or residual in an EU Member State. The tax is withheld at a rate of 35 per cent. 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.

Final Foreign Withholding Taxes

On 21 September 2011, 6 October 2011 and 13 April 2012, respectively, the Swiss Federal Council signed treaties with Germany, the UK and Austria, respectively, regarding the implementation, *inter alia*, of a flat-rate withholding tax (*Abgeltungssteuer*) to be withheld by a Swiss paying agent, as defined in the treaties, on certain capital gains and income items (interest, dividends, other income items, all as defined in the treaties) deriving from assets held on accounts or deposits with a Swiss paying agent by (i) an individual being tax resident of a contracting state or, (ii) if certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in connection with a so-called insurance wrapper (*Lebensversicherungsmantel*) or other individuals if the beneficial owner is an individual a resident of a contracting state. According to the treaties, the flat-rate tax to be withheld substitutes the ordinary income tax on the respective capital gains and income items in the contracting state where the individual is tax resident. In order to avoid such flat-rate tax to be withheld by the Swiss paying agent, such individuals shall be entitled to opt for a disclosure of the respective capital gains and income items to the tax authorities of the contracting state where they are tax residents. Both treaties are in the process of being approved by the parliaments of the contracting states and may enter into force on 1 January 2013, provided that such approval has been given. Further, it has been reported that several other European countries aim at entering into similar treaties with Switzerland. The details of interpretation and implementation of the treaties have not been determined yet.

As regards the tax treatment of such capital gains and income realised or earned prior to the entry into force of the treaties with Germany, the UK and Austria, such treaties provide for specific rules and conditions according to which individuals who are residents of Germany, UK or Austria, respectively, shall be taxed on their relevant assets held on accounts or deposits with a Swiss paying agent at specific dates defined in the treaties and the relevant capital gains and income items realised or earned during a certain period of time prior to the entry into force of the applicable treaty. Unless such individual opts for a disclosure of the assets, and provided that the respective treaty enters into force on 1 January 2013, the Swiss paying agent shall levy a one-off payment on 31 May 2013 according to the rules of the treaties.

Persons who might be in the scope of the above-mentioned treaties should consult their own tax adviser as to the tax consequences relating to their particular circumstances.

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 do not apply to dealers in Securities. The special rules applying to UK resident but non-domiciled individuals are not detailed. The comments are based on current law and HMRC practice and 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.

1. **Securities issued by JPMorgan Chase Bank, N.A. acting through its London Branch**

(a) **United Kingdom Withholding Tax**

(i) ***Interest on Securities***

Interest on Securities issued by JPMorgan Chase Bank, N.A. acting through its London branch may be paid without withholding or deduction for or on account of United Kingdom income tax so long as (i) JPMorgan Chase Bank, N.A. is a "bank" for the purposes of section 991 of the Income Tax Act 2007; and (ii) it pays that interest in the ordinary course of its business.

In accordance with the published practice of HMRC, such payments will be accepted as being made in the ordinary course of business unless either:

- the borrowing in question relates to the capital structure of the UK bank. A borrowing is regarded as relating to the capital structure of the UK bank if it conforms to any of the definitions of Tier 1, 2 or 3 capital adopted by the Bank of England, whether or not it actually counts towards Tier 1, 2 or 3 capital for regulatory purposes; or

- the characteristics of the transaction giving rise to the interest are primarily attributable to an intention to avoid United Kingdom tax.

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.

Under current law (although see below for proposed amendments), no withholding on account of United Kingdom income tax will apply if:

(A) 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; or

(B) the Securities are and continue to be quoted Eurobonds. 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.

HMRC published a consultation on 27 March 2012 that, if implemented in the proposed form would change the position set out above. The two relevant changes are that:

- the exemption in the paragraph above for quoted eurobonds would be disapplied for "intra-group" eurobonds where there is no substantial or regular trading. Detailed legislation has not been published but it is thought unlikely that any final proposals implemented would prejudice investors that do not consider themselves to be affiliates of JPMorgan Chase Bank, N.A.; and

- it is proposed that the withholding tax exemption for Securities with a maturity of less than one year be repealed. However, that repeal would not affect the availability or otherwise of the other potential exemptions set out above.

Whilst it is expected that one of the above exemptions will apply to each issue of Securities, that cannot be guaranteed and unless one of the potential exemptions set out above applies at all relevant times, interest on Securities issued by JPMorgan Chase Bank, N.A. acting through its London branch is likely to suffer a withholding of 20 per cent. on account of UK income tax.

The following further points should be noted:

1. 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.

2. 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.

3. 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.

(b) **United Kingdom Income and Capital Gains tax: Individuals 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.

(i) ***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.

(ii) ***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) an index of the value of such assets. That test is applied strictly and any deviation will prevent the Securities constituting "excluded indexed securities". Any interest payable on redemption is ignored in determining the amount payable on redemption for these purposes. Finally, the fact that a Security may provide for a minimum amount payable on redemption not exceeding 10 per cent. of the issue price will not prevent it from satisfying the above requirement.

(iii) ***Capital gains tax***

Where Notes 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 or allowable losses will arise on any sale, redemption or other disposal. This depends upon the Notes comprising normal commercial loans at all times which may not be the case where the Notes 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 Notes 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.

Certificates to which General Condition 9 applies will generally also be treated as set out in this section 1(b)(iii).

(iv) ***Taxation of Warrants***

The following paragraphs relate only to Warrants which satisfy all of the following conditions:

(a) there are no interim payments payable under the terms of the Warrants;

(b) there is no element of principal protection under the terms of the Warrants;

(c) the return on the Warrants is calculated with direct reference to fluctuations in the value of a Reference Asset or Reference Assets; and

(d) the Warrants are not designed to produce a return equivalent to money invested at interest.

Where Warrants are held as investments, any gain arising may, depending on the Holder's personal circumstances, give rise to a charge to UK tax on capital gains or an allowable loss. Where Warrants fall within the definition of "financial option" for the purposes of UK 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 or allowable loss 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.

Certificates to which General Condition 10 applies and which do not pay any coupon will generally also be treated as set out in this section 1(b)(iv) provided that they satisfy the conditions set out in sub-paragraphs (a) to (d) in the first paragraph to this section 1(b)(iv).

(c) **Taxation of Holders within the Charge to UK 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.

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 (provided that 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 and Certificates which are not treated as derivative contracts or as loans for tax purposes are likely to be taxed in accordance with the rules set out above in 1(b)(iv) above. United Kingdom companies may also be entitled to an indexation allowance on the disposal of such Warrants or Certificates which in effect increases the base cost of an asset (such as a Warrant or Certificate) in line with inflation.

(d) **United Kingdom Corporation, Income and Capital Gains Tax: 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.

(e) **United Kingdom Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

(i) ***Issue***

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.

(ii) ***Transfer***

SDRT will not generally be payable in respect of any agreement to transfer Securities except where one of the following conditions are met:

(A) where the register of Securities is kept in the UK; or

(B) where the terms of the Securities grant the Holder the right (whether on physical delivery or otherwise) to acquire stock, shares or loan capital in certain companies with a UK connection unless such stock, shares or loan capital would qualify as "exempt loan capital". A company will have a UK connection for these purposes if (i) the company is incorporated in the UK; (ii) a register of the relevant stock, shares or loan capital is kept in the UK by or on behalf of the company; or (iii) the shares are "paired" with shares in a UK incorporated company within the meaning of section 99(6B) of the Finance Act 1986.

Where one of those conditions is met, the agreement to transfer will be subject to SDRT at 0.5 per cent.

There could be stamp duty at 0.5 per cent. in respect of any document transferring any Security that does not constitute "exempt loan capital" but, as a practical matter, it is unlikely that any such stamp duty would have to be paid.

(iii) ***Exercise***

SDRT may be payable in respect of an agreement to transfer an asset pursuant to a Security subject to physical delivery following the exercise of the Security. However, no such liability will arise on the physical delivery of shares or other securities which are both: (a) issued by an issuer incorporated outside the UK; and (b) which do not constitute "chargeable securities" under s 99 Finance Act 1986. There could be stamp duty at 0.5 per cent. in respect of any document arising on physical delivery which transfers any shares or securities that do not constitute "exempt loan capital" but, as a practical matter, it is unlikely that any such stamp duty would have to be paid.

(f) **Inheritance Tax**

If a Holder of Securities who is an individual disposes of Securities by way of gift, in form or in substance, or dies, no United Kingdom inheritance tax will be due unless:

(i) the donor is or the deceased was domiciled or deemed to be domiciled in the United Kingdom for the purposes of United Kingdom inheritance tax; or

(ii) the donor or the deceased was neither domiciled nor deemed to be domiciled in the United Kingdom for the purposes of United Kingdom inheritance tax but the Securities are UK-situs assets.

A Security issued in bearer form will be a UK-situs asset if the document of title is located in the United Kingdom at the material time.

The situs of a registered Security (other than Securities cleared through computerised clearing systems) will be determined by the place of registration. Provided that the relevant register in

which the Securities are registered is kept outside the United Kingdom, the registered Securities will not be UK-situs assets.

The situs of securities dealt with through computerised clearing systems, for example Euroclear, is determined by the terms of issue of the particular security. Holders are advised to consult their own tax advisor as to the United Kingdom inheritance tax consequences of acquiring, holding or disposing of a particular Security.

2. **Securities issued by issuers other than JPMorgan Chase Bank, N.A. acting through its London Branch**

(a) **United Kingdom withholding tax**

(i) ***Interest on Securities***

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 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 paragraphs (A) and (B) of 1(a)(i) Interest on Securities above apply in respect of the Securities.

(ii) ***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.

(b) **United Kingdom Income and Capital Gains tax: Individuals resident in the United Kingdom**

See paragraph 1(b) above.

(c) **Taxation of Holders within the Charge to UK Corporation Tax**

See paragraph 1(c) above.

(d) **United Kingdom Corporation, Income and Capital Gains Tax: Holders not resident in the United Kingdom**

See paragraph 1(d) above.

(e) **United Kingdom Stamp Duty and Stamp Duty Reserve Tax**

Please refer to paragraph 1(e) of this section.

(f) **Inheritance Tax**

Please refer to paragraph 1(f) of this section.

3. **Assets which can be considered non-UK situs for UK tax purposes: UK tax-resident non-domiciled individuals**

This section 3 only applies to Securities where the following three conditions are met: (i) the Issuer is not UK tax resident; (ii) the Issuer is not issuing the Securities for or on behalf of a UK branch; and (iii) the Securities are not being cleared through CREST or another UK based clearing system.

This section explains which of such Securities can be considered non-UK situs for the purposes of UK income tax, capital gains tax ("**CGT**") and inheritance tax ("**IHT**") (together, the "**Relevant Taxes**"), and may be particularly relevant to those UK resident individuals who are non-UK domiciled. There is a different test for the situs of the Security for the purposes of each of the Relevant Taxes.

This section is limited to certain considerations relevant to the situs of certain Securities only and does not address the complex concepts and rules relevant to determining an individual's domicile or in respect of any potential remittance of income or chargeable gains to the UK. Investors should seek specific advice from their tax advisor on these matters based on the investor's particular circumstances and with regard to the particular terms and conditions of the relevant Securities.

Generally, where the conditions below are satisfied the relevant Securities should be considered non-UK situs assets in respect of the Relevant Taxes. However, it may not be necessary to satisfy all the conditions below in all cases (depending on the particular terms and conditions of the relevant Securities).

There are two main classes of Securities (satisfying the above three conditions) which should be considered non-UK situs for the purposes of all Relevant Taxes. Those are:

(i) those Registered Notes which constitute "debentures" (as set out in further detail below); and

(ii) those French Warrants, French Certificates, German Warrants, German Certificates, Rule 144A Warrants and Rule 144A Certificates (i.e. those Warrants and Certificates governed other than under English Law) (together, the "**Relevant W&C Securities**") which satisfy the further detailed conditions set out below.

(a) **Registered Notes - Conditions required to be considered non-UK situs assets**

Registered Notes should be considered non-UK situs assets for the purposes of all Relevant Taxes provided that they constitute "debentures" for the purposes of English law. There is no particular definition of "debenture" in the tax legislation, and therefore it should take its normal case law meaning. From the case law, it appears that whether an instrument will be regarded as a "debenture" depends on whether the instrument includes sufficient of the main features one would associate with a debenture, including that the instrument acknowledges indebtedness. Accordingly, there must be some positive obligation (or debt) repayable at maturity, albeit the amount repayable may be less than the invested amount, may be determinable at a subsequent date and repayment thereof may be subject to a further condition. Therefore, whether or not a particular Registered Note can be considered a "debenture" and thus non-UK situs for the purposes of all Relevant Taxes will depend on whether its particular terms and conditions are consistent with that of a "debenture" as described above.

(b) **Relevant W&C Securities - Conditions required to be considered non-UK situs assets**

The UK tax treatment of Relevant W&C Securities depends on how they are categorised for UK tax purposes, and the position is not straightforward in all cases. For a Relevant W&C Security to be considered non-UK situs for all of the Relevant Taxes it must be both a Registered Security, and:

(i) if the Relevant W&C Security is considered to be a "future" or "option" for the purposes of UK CGT and may be physically settled, then the Reference Asset to be delivered must not be subject to the laws of England or any other part of the UK; or

(ii) if the Relevant W&C Security is considered to be a "debt" for the purposes of UK CGT, it must constitute a "debenture" (as described above). This condition is included for the sake of completeness as it should be satisfied in the vast majority of cases.

(c) **Bearer Securities that constitute "debt" as a matter of English law – Conditions required to be considered non-UK situs assets**

Assuming the Securities are issued by a non-UK tax resident Issuer (and not issued for or on behalf of a UK branch of that Issuer) then the situs of Bearer Securities that are debt as a matter of English law may be different for the purpose of each of the Relevant Taxes. Investors should consult their tax advisor on these matters.

4. **Information Provision**

(a) **The EU Savings Tax Directive**

Details of the EU Savings Tax Directive can be found on page 518 in the section entitled "*The European Union Council Directive on the Taxation of Savings Income (the EU Savings Tax Directive)*".

(b) **Reporting Requirements**

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.

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.

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 3 May 2012. 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.

No material adverse change in prospects or significant change in financial or trading position

There has been no material adverse change in the prospects of JPMSP since 31 December 2011.

There has been no significant change in the financial or trading position of JPMSP since 31 December 2011.

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.

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 3 May 2012 and resolutions of the Derivative Products Committee of JPMorgan Chase Bank, N.A. dated 3 May 2012.

No material adverse change in prospects or significant change in financial or trading position

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Trend Information / Business Outlook*" on pages 344 to 346 of this Base Prospectus, there has been no material adverse change in the prospects of JPMorgan Chase Bank, N.A. since 31 December 2011.

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Trend Information / Business Outlook*" on pages 344 to 346 of this Base Prospectus, there has been no significant change in the financial or trading position of JPMorgan Chase Bank, N.A. and its subsidiaries taken as a whole since 31 December 2011.

Legal and arbitration proceedings

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Litigation*" on pages 355 to 366 of this Base Prospectus, 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.

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 3 May 2012.

No material adverse change in prospects or significant change in financial or trading position

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Trend Information / Business Outlook*" on pages 344 to 346 of this Base Prospectus, there has been no material adverse change in the prospects of JPMorgan Chase & Co. since 31 December 2011.

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Trend Information / Business Outlook*" on pages 344 to 346 of 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 2012.

Legal and arbitration proceedings

Save as disclosed in the section entitled "*JPMorgan Chase & Co. – Litigation*" on pages 355 to 366 of this Base Prospectus, 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.

4. **JPMBD**

Authorisations

Accession to the Programme by JPMBD (formerly known as Bear Stearns Bank Plc) was authorised pursuant to a resolution of the Board of Directors of JPMBD dated 5 May 2009. Issuances of Securities by JPMBD were authorised pursuant to a resolution of the Board of Directors of JPMBD dated 3 May 2012.

No material adverse change in prospects or significant change in financial or trading position

There has been no material adverse change in the prospects of JPMBD since 31 December 2011.

There has been no significant change in the financial or trading position of JPMBD since 31 December 2011.

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 on 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.

5. **JPMI**

Authorisations

Accession to the Programme by JPMI was authorised pursuant to a resolution of the Board of Managers of JPMI dated 11 May 2010. Issuances of Securities by JPMI were authorised pursuant to a resolution of the Board of Managers of JPMI dated 3 May 2012.

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.

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: Mergenthalerallee 61, 65760 Eschborn, Germany

The address of Euroclear Sweden is: Klarabergsviadukten 63, Box 191, SE-101 23 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: 113 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. 2011 Form 10-K Annual Report, the JPMorgan Chase & Co. 2010 Form 10-K Annual Report, the JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements, the JPMorgan Chase Bank, N.A. 2010 Audited Financial Statements, the JPMSP 2011 Audited Financial Statements, the JPMSP 2010 Audited

Financial Statements, the JPMBD 2011 Audited Financial Statements and the JPMBD 2010 Audited Financial Statements;

(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 Registered Global Notes, the Registered Definitive Notes, 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. **Rule 144A Information**

With respect to any Rule 144A Securities and Regulation S/Rule 144A Warrants, at any time when any Issuer or the relevant Guarantor 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 or Guarantor 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).

10. **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.

11. **Limitations on admission to trading on a regulated market of certain securities**

No Notes issued by JPMorgan Chase Bank, N.A. will be admitted to trading on a regulated market in the European Economic Area unless they have a minimum denomination of at least EUR 100,000 (or its equivalent in another currency).

No Warrants or Certificates issued by JPMorgan Chase Bank, N.A. and no Securities issued by JPMI will be admitted to trading on a regulated market in the European Economic Area.

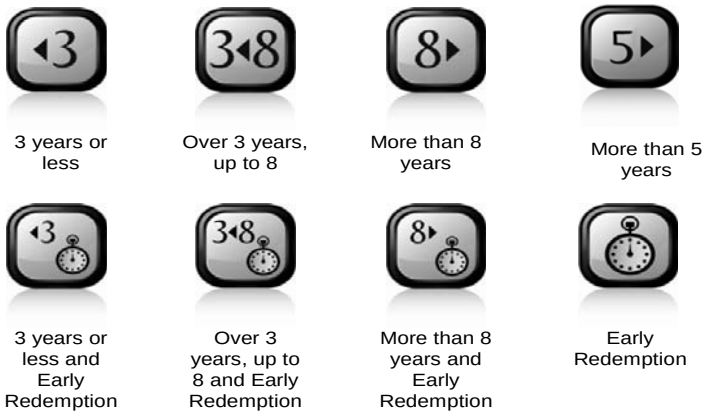
12. **De-listing**

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 General Condition 25.7 (*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.

INDEX OF DEFINED TERMS

Page

$ 5

£ 5

€ 5

2005 Act 393

2006 Definitions 179

2009 Base Prospectus 65

2009 Base Prospectus Supplement 65

2010 Base Prospectus 64

2010 Base Prospectus Supplement 65

2010 PD Amending Directive 391

2011 Base Prospectus 64

2011 Base Prospectus Supplement 64

25 per cent. Limit 432

30/360 170

30E/360 170

30E/360 (ISDA) 171

360/360 170

Account 426

Accountholder 426

accrued OID 446

Action 257

Actual/360 170

Actual/365 (Fixed) 170

Actual/Actual (ICMA) 169

Actual/Actual (ISDA) 170

Additional Amounts 144, 167

Additional Disruption Event 216, 229, 241, 256

Additional Disruption Events 203, 256

Additional Financial Centres 168

adjusted issue price 446, 450

Adjusted Scheduled Pricing Date 229
Adjustment Date 167
Adjustment Event 247, 250
ADRs 35
Affected FX Rate 239
Affected Jurisdiction 257
AFM 76
AFS 345
Agency Agreement 96, 167, 335, 339
Agents 167
All Exchanges 207, 221
Alternative Settlement Date 167
American Style 167
Amortisation Yield 167
Amortised Face Amount 167
amortizable 451
an offer of Securities to the public 390
Announcement Date 199, 202, 203
Applicable Hedge Positions 259
Applicable Tax Period 427
Approved Entity/Pre-Approved Transferee Transfer 425
Arranger 2
ARS 356
Authority 250, 426, 427
Automatic Exercise 167
Automatic Exercise Warrant Notice 131, 167
Average Selling Price 250
Averaging Date 203, 216, 241
Averaging Reference Date 203, 216, 241
Bank 167
Bank Superintendence of Guatemala 392
Banking Act 394

Banking and Financial Group Law 392
Bankruptcy Case 365
Bankruptcy Court 365
Bapepam-LK 393
Bappebti 393
Base Currency 241
Base Prospectus ..... ii, 269, 316
Basel Committee 48
Basel III 48
Basisprospekt 316
Basiswert 319
Basiswerte 319
BBA 359
Bear Stearns 356
Bear Stearns defendants 357
Bearer Global Security 74, 168
Bearer Notes 168
Bearer Securities 168
Belize international business company 387
Benchmark 168
Beneficiaries 335, 339
Benefit Plan Investors 432
Bermudan Style 168
BGB 152
Bloomberg Screen 229
BofA 357
Bond 358
Bond Basis 170
Book-Entry Register 105
Book-Entry Registrar 105
British Virgin Islands business company 387
Broad based fund 423

Broken Amount 168
BSAM 357
Bullion 229
Bullion Business Day 229
Bullion Business Day Convention 230
Bullion Reference Dealers 230
Business Day 168, 250
Business Day Convention 168
Calculation Agent 168, 250
Calculation Agent Determination 230, 241
Calculation Period 169
Call Reports 72
Caricom 435
Cash Dividend 250, 259
Cash Settlement 168
CBU 407
CCAF 397
Certificates ..... ii, 96, 168
CFPB 46
CFTC 41, 230
CGT 517
Change in Law 203, 216, 230, 241, 256
CIO 345
CISA 78
CIT 497
City 358
Class Period 357
Clearance System 203
Clearance System Business Day 203
clearing agency 99
Clearing Claims 359
clearing system business day 119, 128, 135

Clearing System Business Day....168
Clearstream Frankfurt....74, 168
Clearstream, Luxembourg....74, 169
Client Identification Programme....425
Closed Periods....169
Closing Commodity Index Level....230
Closing Index Level....216
Closing Price....250
Closing Share Price....203
CMB....403
CMSA....396
CMVM....399
CNV....385
Code....169, 417, 418, 419, 420, 421, 430
collecting agent....518
Collective Investment Fund Substitute Tax....487
Commission....5, 403
Committee....359
Commodity....231
Commodity - Reference Dealers....232, 234
Commodity Business Day....231
Commodity Business Day Convention....231
Commodity Exchange Act....9, 169, 409
Commodity Hedging Disruption....231
Commodity Index....232
Commodity Index Adjustment Event....232
Commodity Index Adjustment Events....227
Commodity Index Sponsor....232
Commodity Index Sponsor Business Centre....232
Commodity Indices....232
Commodity Linked Interest Notes....169
Commodity Linked Provisions....73, 96, 169

Commodity Linked Securities 15, 73, 169
Commodity Reference Price 232
Common Safekeeper 75, 97
comparable yield 450
Compensation Committee 348
Component 216
Component Clearance System 217
Component Clearance System Business Day 217
CONASEV 399
Conditions 97, 169, 250
Consolidated Conditions 169
Contingent Securities 450
contract duration 461
Controlling Person 432
Convening Notice 263
Corporations Act 386
Corrigenda 269, 316
County 364
Coupon Amount 169, 250
Coupon Exchange Rate 250
Coupon Payment Date 169, 250
Coupon Period 250
Coupon Valuation Date 203, 217, 241
Credit Linked Notes 15, 169
Credit Linked Securities 73
CSSF 76, 385
Currency of the Shares 259
Currency-Reference Dealers 241
current value 448
Custodian 263
CVM 387, 399
Czech Capital Markets Act 389

Danish Notes 75, 98, 169
Danish Programme Agent 169
Danish Record Date 169
Danish Registrar 169
Day Count Fraction 169
Dealer 171
Debtors 365
Decree 201 490
Decree 239 486
Decree 84 491
Deed of Covenant 96, 171
Deed Poll 162, 171
Default Redemption Date 250
Delayed Publication or Announcement 232
Delisting 203
Delivery Agent 171
Delivery Date 139, 171, 233, 235
Delivery Expenses 171
Deposit Agreement 204
Depositary Receipts 35
Depository 204
Designated Maturity 113, 122
DFSA 404
Direct Participants 380
DIRT 436
Disappearance of Commodity Reference Price 233
Disbursing Agent 484
Discount Security 446
Disputed Assets 365
disqualified persons 430
Disrupted Day 204, 217
Disruption Cash Settlement Price 171

Disruption Fallback 233, 241
Dividend Amount 259
Dividend Distribution Date 259
Dividend Equivalent Payments 460
Dividend Exchange Rate 259
Dividend Payment Date 259
Document 316
Dokument 316
DR Amendment 204
Drawdown Prospectus 172
DTC 74, 172, 416
DTC Custodian 172
DTCC 381
Dual Currency Notes 172
DVP/RVP 417
Early Closure 204, 217
Early Payment Amount 172, 257
Early Payment Date 258
Early Payment Disposal Period 258
Early Redemption Date 251
ECP 172, 410
ECPs 9
Effective Date 172, 335, 339
Eligible Investor 9, 10
Eligible Investor Certification 172
Eligible Investors 172, 409
EMC 361
EMEA 56
Endgültige Bedingungen 316
Enhanced Leverage Fund 357
Enron 358
ERISA 111, 357, 418, 419, 420, 421, 430

Established Rate 173
EU 48, 475
EU Savings Tax Directive 441
EUR 5
EURIBOR 173
euro 5, 173
Eurobond Basis 170
Euroclear 173
Euroclear Finland 75, 173
Euroclear Finland register day 120, 173
Euroclear Finland Rules 173
Euroclear France 75, 173
Euroclear France Account Holder 173
Euroclear Sweden 75, 173
European Style 173
Euro-zone 173
Event of Default 141, 173
Exchange 204, 217, 234, 259
Exchange Act 9, 173, 410
Exchange Business Day 204, 218, 251
Exchange Date 173
Exchange Disruption 204, 218
Exchange Notice 150
Exchange Rate 251
Ex-Dividend Date 259
Execution Period 259
Exercise Amount 173
Exercise Date 173
Exercise Notice 174
Exercise Period 175
Expenses 175, 259
Expiration Date 175

Extraordinary Event....204
Extraordinary Events....204
Extraordinary Resolution....175
Fairfield....360
Fallback Pricing Date....234
Fallback Reference Dealers....234
Fallback Reference Price....234, 242
Fallback Valuation Date....204, 218, 242
FATCA....31, 442
FDIC....ii, 175, 318, 319
Federal Reserve....46
FFI....31, 442
FII Regulations....19, 110, 424
Final Execution Date....260
Final Price....259
Final Redemption Amount....175
Final Terms....74, 97, 176, 316
Financial Instruments and Exchange Law....395
Financial Services Act....394
Finnish Certificates....176
Finnish Notes....176
Finnish Programme Agent....176
Finnish Record Date....120, 176
Finnish Register....103, 176
Finnish Registrar....98, 176
Finnish Securities....75, 98, 176
Finnish Warrants....176
First Notice Day of the Notice Period for Delivery....234
Fixed Coupon Amount....176
Fixed Rate Coupon....176
Fixed Rate Notes....176
Floating Rate....113, 122

Floating Rate Coupon 176
Floating Rate Coupon Commencement Date 176
Floating Rate Coupon Determination Date 176
Floating Rate Coupon Payment Date 176
Floating Rate Coupon Period 176
Floating Rate Notes 177
Floating Rate Option 113, 122
Following 230, 231, 237, 242
Foreign Account Tax Compliance Act 177
foreign currency 445
Foreign Currency Contingent Security 453
Foreign Exchange Transaction Laws 395
Foreign Holders 436
Foreign Issuers 437
Foreign Securities 437
French Bearer Securities 97, 177
French Certificates 177
French Notes 177
French Programme Agent 177
French Registered Securities 98, 177
French Registration Agent 98, 177
French Securities 75, 98, 177
French Warrants 177
FSA 77
FSB 49
FSMA 404
FSOC 46
Fund 487
Funds 357
Fungible Securities 335, 339
Futures Contract 234
Futures Contract – Delivery Date Roll 233, 235

Futures Contract – Expiry Date Roll 233, 235
Futures Trading Day 234
FX Business Day 242
FX Business Day Convention 242
FX Disrupted Day 242
FX Disruption Event 242
FX Event Cut-off Date 258
FX Financial Centres 242
FX Inconvertibility Event 260
FX Linked Interest Notes 177
FX Linked Provisions 73, 96, 177
FX Linked Securities 15, 73, 177
FX Price Source 242
FX Rate 243, 260
FX Rate Sponsor 243
G-20 49
Garantin 318
GDRs 35
General Conditions 73, 177
General Meeting 156, 177
German Programme Agent 177
German Securities 177
Global Bearer Note 177
Global Certificates 177
Global Notes 177
Global Securities 74, 103, 177
Global Security 103, 177
global settlement 362
Global Warrants 178
Governance Committee 348
Grandfathered Obligations 442
GSEs 54, 345

GSIBs 48
Guarantee 178, 335, 339
Guarantees 178
Guarantor ..... ii, 73, 96, 178, 335, 339
Guarantors 73
Guidelines 395
Handling Charge 251
Harris Trust 431
Hedge Positions 234, 260
Hedging Disruption 205, 218, 234, 243, 256
Hedging Entity 178
HERA 363
High Grade Fund 357
holder 424
Holder 103, 104, 178
Holder Obligations 427
Holder Physical Settlement 178
Holders' Meeting 262
Hypothetical Broker Dealer 260
IHT 517
IITCC 489
Inconvertibility Event 243
Increased Cost of Hedging 257
Indemnified Person 429
Index 218
Index Adjustment Event 218
Index Cancellation 218
Index Disruption 218
Index Level 218
Index Linked Interest Notes 178
Index Linked Provisions 73, 96, 178
Index Linked Securities 15, 73, 178

Index Modification 219
Index Settlement Disruption Event 219
Index Sponsor 219
Indian Participation Securities 110
Indian Participation Security 19
Indian Resident 19, 110
Indices 218
Indirect Participants 381
Initial Averaging Date 205, 219, 243
Initial Notice Day 258
Initial Pricing Date 234
Initial Valuation Date 205, 219, 243
Insolvency 205
Insolvency Filing 205
Instalment Amount 178
Instalment Date 178
Instalment Notes 178
instalment obligation 446
Interest Amount 178
Interest Commencement Date 178
Interest Determination Date 178
Interest Payment Date 178
Interest Period 178
Interest Valuation Date 205, 219, 243
Intermediary 443, 487
Intermediated Securities 75, 85, 98, 179
Intervening Period 141, 179
Inventory Securities 34, 412
Investment Company Act 9, 179, 414, 415
Investment Regulations 251
Investor Letter of Representations 9, 179, 411
Investor-Based Exemptions 430

IPO Complaints 358
IPOs 358
IRAP 486
Irish Branch Holders 437
Irish Holders 437
Irish Resident Holders 436
IRS 31, 44
IRS FATCA Agreement 442
ISDA Definitions 179
ISDA Rate 179
Issue Date 159, 179
Issue Price 179
Issuer ..... ii, 73, 96, 179
Issuer Physical Settlement 179
Issuers 73, 96
Italian Certificates 179
J.P. Morgan affiliate 4, 112
Joint Representative 155, 179
JPMBD ..... ii, 8, 73, 96, 179, 321, 375, 413
JPMBD 2010 Audited Financial Statements 64
JPMBD 2011 Audited Financial Statements 64
JPMI ..... ii, 8, 73, 96, 179, 378
JPMorgan affiliated entity 428
JPMorgan Affiliates 412
JPMorgan Chase 5
JPMorgan Chase & Co. 2010 Form 10-K 64
JPMorgan Chase & Co. 2011 Form 10-K 64
JPMorgan Chase & Co. 2012 Proxy Statement 64, 347
JPMorgan Chase & Co. Garantie 318
JPMorgan Chase & Co. Guarantee ..... ii, 96, 179, 318
JPMorgan Chase Bank 5
JPMorgan Chase Bank, N.A. 2010 Audited Financial Statements 64

JPMorgan Chase Bank, N.A. 2011 Audited Financial Statements 64
JPMorgan Chase Bank, N.A. Garantie 318
JPMorgan Chase Bank, N.A. Guarantee ..... ii, 96, 179
JPMorgan Investment Management 359
JPMSL 335, 339
JPMSP ..... ii, 8, 73, 96, 179, 321, 413
JPMSP 2010 Audited Financial Statements 64
JPMSP/JPMBD/JPMI Special Restrictions 433
JPMSP/JPMBD/JPMI Standard Restrictions 433
Last Trading Day 234
Latest Exercise Time 179
Law 24/1988 401
LBHI 359
LBI 359
LEPW Provisions 74, 96, 254
LEPWs 43
LFSA 396
LFSSA 396
LIBOR 359
Local Time 180
Low Exercise Price Warrants 16, 73
Madoff 360
Margin 180
Market Access Participation Notes 16, 73, 180
Market Access Participation Provisions 73, 96, 180
Market Discount 447
Market Discount Security 447
Market Disruption Event 16, 205, 219, 234, 251
Masse 155, 180
Material Change in Content 235
Material Change in Formula 235
Maturity Date 180

Max 260
Maximum Days of Disruption 205, 220, 235
Maximum Exercise Number 180
Maximum Rate of Floating Rate Coupon 180
Maximum Rate of Interest 180
MBS 53, 346, 361
Merger Date 205
Merger Event 205
MiFID 77
Minimum Exercise Number 180
Minimum Rate of Floating Rate Coupon 180
Minimum Rate of Interest 180
Minimum Redemption Number 251
Minimum Transferable Amount 180
Modified Following 230, 231, 237, 242
Modified Postponement 194, 195, 211, 213
MSR 51
Multi-Exchange Index 220
Municipal Derivatives Actions 363
MUSIV 180, 410, 414, 415
MUSIVs 9
NASAA 356
National Currency Unit 180
Nationalisation 206
Nearest 230, 231, 237, 242
NGN 75, 97
No Adjustment 230, 231, 237, 242
non-equity securities ii
Non-exempt Offer 390
Non-Participating FFI 442
Non-Permitted Holder 111
Non-resident Indian 422

Non-Resident Indian....19, 110
Non-U.S. Certification....180
Non-U.S. Holders....459
Non-U.S. Issuer....31, 442
Norwegian Certificates....180
Norwegian Notes....180
Norwegian Programme Agent....181
Norwegian Record Date....120, 181
Norwegian Registrar....181
Norwegian Securities....75, 98, 181
Norwegian Warrants....181
Notes....ii, 96, 181
Notional Amount....121, 181
NSC....398
Number of FX Settlement Days....243
Number of Underlying Shares per Note....251
NYSE....347
objective rate....448
Obligations....335, 339
Obligor....335, 339
Obligors....335
Observation Date....206
Observation Date (Closing Valuation)....220
Observation Date (Intra-Day Valuation)....206, 220
Observation Period....206, 220
Observation Period End Date....206, 220
Observation Period Start Date....206, 220
OCC....368
ODI Holder Obligations....426
ODIs....412, 422
OEP....364
Offer Period....295

Offshore Banking License 417
OFP 471
OID 446
Omission 193, 194, 210, 212
Optional Redemption Amount 181
Optional Redemption Date 181
Organised trading 498
Original Base Prospectus 269
Original Currency 181, 240
Original Guarantee 335, 339
Other Variable Linked Interest Notes 181
Other Variable Linked Securities 73
Page 181
Partial Distributions 137, 181
Participation Provisions 244
parties in interest 430
Partly Paid Notes 181
paying agent 518
Paying Agent 181
Payment Day 136, 181
Payment Disruption Event 29, 181
Payment Event Cut-off Date 29, 182
PEA 482
Periodic Valuation Date 206, 221
Permanent Bearer Global Security 74, 100, 101, 182
Permanent Global Security 182
Permanent Registered Global Security 74, 182
Permitted Transferee 18, 19, 109, 182
Person 422
Person of Indian Origin 422
Person regulated by an appropriate foreign regulatory authority 423
Person Resident in India 423

Person Resident outside India....423
Petters....364
Physical Delivery Cut-Off Date....182
Physical Settlement....183
PIT....497
plan....419
Plan....365, 419, 421
Plan Asset Regulations....430
Plans....430
Polish Resident Entities....497
Polish Resident Individuals....497
Postponement....193, 195, 210, 212, 235
Potential Adjustment Event....198, 200, 206
Potential Exercise Date....183
PRC....398, 427
PRC Access Securities....426
PRC Reference Issuer....426
PRC Reference Securities....426
Pre-Approved Transferee....425
Preceding....230, 231, 237, 242
Price Materiality Percentage....235
Price Source....235
Price Source Disruption....235, 243
Pricing Date....236
Primary Source....183
Principal Financial Centre....113, 123, 183
Principal Programme Agent....183
Proceedings....165, 166, 183
Programme....ii, 96, 183, 335, 339
Programme Agents....76
Programme Agreement....335, 339, 384
Programme Documents....335, 339

Proposed Transferee 425
Proprietary Index 221
Prospectus Directive ..... ii, 183, 267, 316, 391
Prospektrichtlinie 316
PTCE 430
PTCE 95-60 431
Public Offer Jurisdictions 295
Public Offering Law 385
Published Supplement[s] 316
Purchaser 424
Put Option Exercise Notice 183
QEF 458
QFII 257
QFII Disruption 257
QFII Status Disruption 257
QIB 183, 413, 415
QIBs 9, 409
QP 183, 414, 415
QPs 9, 409
qualified floating rate 448
qualified inverse floating rate 448
Qualified Offshore Client 183, 414, 415
Qualified Offshore Clients 9
Quota 183
Rate of Exchange 183
Rate of Interest 183
Rebasing 240
Recalcitrant Holder 443
Recalcitrant Holders 31
Record Date 119, 121, 128, 135, 183, 248, 251, 260
Redemption Amount 184
Redemption Charge 251

Redemption Date 184, 252
Redemption Exchange Rate 252
Redemption Exchange Rate Date 252
Redemption Notice 252
Redemption Payment Date 246, 252
Redemption Value 246, 252
Redenomination Date 184
Reference Asset 184
Reference Asset Amount 184
Reference Asset Amounts 184
Reference Asset Transfer Notice 184
Reference Asset[s] 319
Reference Assets 24, 83, 184
Reference Banks 184
Reference Currency 243
Reference Date 207, 221, 243
Reference Dealers 236, 243
Reference Entities 24
Reference Entity 15, 24, 94
Register 103, 185, 252
Registered Certificates 185
Registered Global Note 185
Registered Global Security 74, 185
Registered Notes 185
Registered Securities 185
Registered Security 185
Registered Warrants 185
Registrar 185
Regular Date 185
Regular Period 185
Regulated Entity 425
Regulated Market 77

Regulation No. 11971 394
Regulation S 186, 317, 318, 414
Regulation S/Rule 144A Global Warrant 99
Regulation S/Rule 144A Warrants 99, 186
Related Exchange 207, 221
Relevant Clearing System(s) 186
Relevant Country 252
Relevant Country Authority 252
Relevant Currency 186
Relevant Date 186, 196, 207, 214, 221, 239
Relevant Exchange 252
Relevant Financial Centre 186
Relevant Implementation Date 390
Relevant Investor 252
Relevant Jurisdiction 186
Relevant Member State 3, 186, 267, 390
Relevant Notes 186
Relevant Payment Date 258
Relevant Payment Jurisdiction 186
Relevant Programme Agent 186
Relevant Rate 187
Relevant Record Date 187
Relevant Taxes 517
Relevant Time 187
Relevant W&C Securities 517
Renouncement Notice 129, 187
Replacement Share 197
Representative 156, 187
Representative Amount 187
Reset Date 113, 122
Resident Corporate Taxpayer 492
Resident Individual 491

resident of Japan 395
Residual Cash Amount 187
Residual Cash Amounts 187
resolution plan 48
Responsible Persons 1
Restricted Entity 424
Reuters Screen 236
Reverse Merger 206
Rights Settlement Date 248, 252, 255, 260
risparmio amministrato 488
Rule 144A 187, 413, 415
Rule 144A Certificates 187
Rule 144A Information 523
Rule 144A Notes 187
Rule 144A Securities 98, 187
Rule 144A Warrants 187
Scheduled Averaging Date 207, 221
Scheduled Averaging Reference Date 207, 221
Scheduled Closing Time 207, 221
Scheduled Coupon Valuation Date 207, 221
Scheduled Initial Averaging Date 207, 221
Scheduled Initial Valuation Date 207, 221
Scheduled Interest Valuation Date 207, 221
Scheduled Periodic Valuation Date 207, 221
Scheduled Pricing Date 236
Scheduled Reference Date 207, 221, 243
Scheduled Trading Day 187, 207, 221
Scheduled Valuation Date 207, 222
Scheme 512
SchVG 154
Scoach Switzerland 78
SCRA 363

Screen Page 236
SDRT 515
SEC 4, 46, 64
Securities ..... ii, 73, 96, 159, 187, 315, 335, 339, 372, 378
Securities Act 187, 317, 412, 413, 414
Securities and Exchange Laws 395
Securities and Futures Ordinance 392
Securities Exchange Market Law 391
Securities Industry Act 402
Series 74, 97, 187
Service Provider Exemption 431
Settlement Amount 187, 260
Settlement Cycle 187, 208, 222
Settlement Date 188, 252, 260
Settlement Disruption Event 188
SFA 400
Share 188, 208, 222, 260
Share Disrupted Day 222
Share Issuer 208, 260
Share Linked Interest Notes 188
Share Linked Provisions 73, 96, 188
Share Linked Securities 15, 73, 188
Share Price 208
Share Settlement Disruption Event 208
Shares 188
Short-Term Security 446
Sigma 365
SIS 74, 188
SIX Swiss Exchange 77, 102
SNPC 461
SNV 408
Social Security Institute 392

Special Conditions 188
Specific Product Provisions 74, 97, 188
Specified Coupon Period 188
Specified Currency 188, 252
Specified Denomination 188
Specified Duration 188
Specified Price 236
SPEs 52
Sterling 5
Strike Price 260
Successor Currency 240
Successor Index 215, 222, 227
Successor Index Sponsor 215, 222
Successor Sponsor 227
Supplement 78
Suspension Period 246, 252
Swap 358
Swap Transaction 113, 122
Swedish Certificates 188
Swedish CSD 189
Swedish CSD Rules 189
Swedish Notes 189
Swedish Programme Agent 189
Swedish Record Date 120, 129, 135, 189
Swedish Register 104, 189
Swedish Registrar 189
Swedish Securities 75, 98, 189
Swedish Warrants 189
Swiss Certificates 189
Swiss Global Security 98, 189
Swiss Notes 189
Swiss Programme Agent 189

Swiss Register 102, 189
Swiss Registrar 189
Swiss Securities 75, 98, 189
TARGET2 189
TARGET2 Settlement Day 189
Tax 427
Tax Decision 427
Tax Disruption 236
Tax Termination Event 146, 189
Taxation 252, 260
Taxes 427
Temporary Bearer Global Security 74, 97, 190
Temporary Global Security 190
Temporary Registered Global Security 74, 97, 190
Tender Offer 208
Tender Offer Date 208
Term 252
Term Sheet 78
Termination Event 143, 190
Texas Action 366
Trade Date 236, 253, 261
Trading Day 236
Trading Day Convention 237
Trading Disruption 208, 222, 237
Tranche 74, 97, 190
Tranches 74, 97
Transfer 425, 427
Transfer Agent 190
Transfer Notice 428
Transfer Restrictions 409
Treaty 190, 435
Trust Securities 365

Trustee 360
Turkey 403
U.S. Controlled Person 464
U.S. Dollars 5
U.S. Holder 444
U.S. Issuer 442, 444
U.S. Person 190
U.S. Source Income 442
U.S.$ 5
Underlying Company 253
Underlying Hedge Entity 190
Underlying Hedge Tax Jurisdiction 190
Underlying Hedge Transactions 190
Underlying Settlement Period 253
Underlying Shares 208, 253
Underlying Shares Issuer 208
Unit 237
Unitary Index 222
United States 190
Unregulated Entity 19, 110, 425
Updated Base Prospectus 269
USA PATRIOT Act 417
USD 5
Valid Date 208, 222
Valuation Date 190, 208, 223, 243
Valuation Period 253
Valuation Time 208, 223, 243
Variable Interest Rate Security 447
Veröffentlichte[r] [Nachtrag][Nachträge] 316
Vietnam 408
Volcker Rule 47
VP 75, 190

VP Rules....190
VPS....75, 190
VPS Register....104, 190
VPS Rules....191
WaMu Global Settlement....365
Warrant Account Notice....191
Warrants....ii, 96, 191
Washington Mutual Bank....365
Wertpapiere....315
WMI....365
Zero Coupon Notes....191

Registered Office of JPMSP

J.P. Morgan Structured Products B.V.
Luna ArenA
Herikerbergweg 238
1101 CM Amsterdam Zuidoost
The Netherlands

Registered Office of JPMBD

J.P. Morgan Bank Dublin plc
JPMorgan House
1 Georges Dock
International Financial Services Centre
Dublin 1
Ireland

Registered Office of JPMI

J.P. Morgan Indies SRL
2nd Floor, Building No 2
Chelston Park
Collymore Rock
St Michael
Barbados, BB11000

Registered Office of JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank, N.A.
1111 Polaris Parkway
Columbus, Ohio 43240
United States of America

Principal Office of JPMorgan Chase & Co.

JPMorgan Chase & Co.
270 Park Avenue
New York, New York 10017-2070
United States of America

Dealer and Arranger

J.P. Morgan Securities Ltd.
125 London Wall
London, EC2Y 5AJ
United Kingdom

Dealers

J.P. Morgan Securities LLC
383 Madison Avenue
5th Floor
New York, New York 10179
United States of America

J.P. Morgan (S.E.A.) Limited
168 Robinson Road
17th Floor
Capital Tower
Singapore 068912

J.P. Morgan Securities (Asia Pacific) Limited
25/F Chater House
8 Connaught Road Central
Hong Kong

Principal Programme Agent, Paying Agent and Transfer Agent

The Bank of New York Mellon
One Canada Square
London, E14 5AL
United Kingdom

Paying Agent, Registrar and Transfer Agent

The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building
Polaris
2-4 rue Eugène Ruppert
L-2453
Luxembourg

Calculation Agents and Delivery Agents

J.P. Morgan Securities Ltd.
125 London Wall
London, EC2Y 5AJ
United Kingdom

J.P. Morgan Securities LLC
383 Madison Avenue
5th Floor
New York, New York 10179
United States of America

Luxembourg Listing Agent

The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building
Polaris
2-4 rue Eugène Ruppert
L-2453
Luxembourg

Auditors

To JPMSP	To JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co.	To JPMBD
PriceWaterhouseCoopers Accountants N.V. Thomas R. Malthusstraat 5 PO Box 90357 1006 BJ Amsterdam The Netherlands	**PriceWaterhouseCoopers LLP** 300 Madison Avenue New York, New York 10017 United States of America	**PricewaterhouseCoopers Chartered Accountants & Registered Auditors** One Spencer Dock North Wall Quay Dublin 1 Ireland

Legal Advisers

To the Issuers

in respect of U.S. tax law

Ashurst LLP
Times Square Tower
7 Times Square
New York, New York 10036
United States of America

in respect of Dutch law

Clifford Chance LLP
Droogbak 1A
1013 GE Amsterdam
PO Box 251
1000 AG Amsterdam
The Netherlands

in respect of Barbados law

Lex Caribbean
Worthing Corporate Centre
Worthing
Christ Church BB15008
Barbados

in respect of U.S. securities law

Ashurst LLP
Times Square Tower
7 Times Square
New York, New York 10036
United States of America

in respect of Irish law

Matheson Ormsby Prentice
70 Sir John Rogerson's Quay
Dublin 2
Ireland

To the Arranger and Dealer

in respect of English law

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA
United Kingdom

In respect of Norwegian Securities:

Norwegian Programme Agent	**Norwegian Registrar**	**Legal Adviser to the Issuers in respect of Norwegian law**
Skandinaviska Enskilda Banken AB (publ) Kungsträdgårdsgatan 8 SE-106 40 Stockholm Sweden	**Verdipapirsentralen ASA** Biskop Gunnerus' gate 14 A 0185 Oslo P.O. Box. 4, 0051 Oslo Norway	**Bugge, Arentz-Hansen & Rasmussen** Stranden 1A, 0250 Oslo P.O. Box 1524, Vika, 0117 Oslo, Norway

In respect of Swedish Securities:

Swedish Programme Agent	**Swedish Registrar**	**Legal Adviser to the Issuers** *in respect of Swedish law*
Swedbank Markets Swedbank AB Securities Services E6 Regeringsgatan 13 SE-105 34 Stockholm Sweden	**Euroclear Sweden AB** Klarabergsviadukten 63, Box 191 SE-101 23 Stockholm Sweden	**Oreum Advokatbyrå AB** Kungsträdgårdsgatan 16 Box 7308 SE-103 90 Stockholm Sweden

In respect of Finnish Securities:

Finnish Programme Agent	**Finnish Registrar**	**Legal Advisers to the Issuers** *in respect of Finnish law*
Svenska Handelsbanken AB (publ) Branch Operation in Finland Aleksanterinkatu 1 00100 Helsinki Finland	**Euroclear Finland Oy** Urho Kekkosenkatu 5 C 00100 Helsinki Finland	**Waselius & Wist** Eteläesplanadi 24A 00130 Helsinki Finland

In respect of Danish Notes:

Danish Programme Agent	**Danish Registrar**	**Legal Adviser to the Issuers** *in respect of Danish law*
Skandinaviska Enskilda Banken AB (publ) Kungsträdgårdsgatan 8 SE-106 40 Stockholm Sweden	**VP Securities A/S** Weidekampsgade 14 P.O. Box 4040 2300 Copenhagen S Denmark	**Bech-Bruun** Langelinie Allé 35 2100 Copenhagen Denmark

In respect of French Securities:

French Programme Agent

BNP Paribas Securities Services
3, rue d'Antin
75002 Paris
France

Dutch Listing Agent

Cooperatieve Centrale Raiffeisen-Boerenleenbank BA
Amsterlplein 1, 1096 HA
Amsterdam
The Netherlands

Legal Advisers to the Issuers
in respect of French law

Ashurst LLP
Avocats au Barreau de Paris
18, square Edouard VII
75009 Paris
France

In respect of Swiss Securities:

Swiss Programme Agent

Credit Suisse AG
Paradeplatz 8
8001 Zürich
Switzerland

Legal Advisers to the Issuers
in respect of Swiss law

Homburger AG
Prime Tower
Hardstrasse 201
8005 Zurich
Switzerland

In respect of German Securities:

German Programme Agent

BNP Paribas Securities Services S.C.A., Frankfurt Branch
Europa-Allee 12
60327 Frankfurt am Main
Germany