

DRAWDOWN PROSPECTUS

# J.P.Morgan

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

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

**U.S.\$ 19,259,000 Callable Contingent Market Participation Notes linked to the  
iShares<sup>®</sup> MSCI Emerging Markets Index Fund, due October 2011  
(the "Securities" or the "Notes")**

**(ISIN: XS0549102407)**

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

**Investing in the Securities puts your capital at risk. You may lose some or all of  
your investment.**

This document (this "**Prospectus**"), which will be published on the website of the Luxembourg Stock Exchange, constitutes a Prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the "**Financial Supervision Act**") and the regulations thereunder (together, "**Dutch Securities Laws**") and relates to the above-referenced Securities issued by J.P. Morgan Structured Products B.V. (the "**Issuer**" or "**JPMSP**") under its Structured Products Programme for the issuance of Notes, Warrants and Certificates (the "**Programme**") and absolutely and unconditionally guaranteed by JPMorgan Chase Bank, N.A. (the "**Guarantor**") under the JPMorgan Chase Bank N.A. Guarantee (as defined in the Base Prospectus).

Application has been made to The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) ("**AFM**") in its capacity as competent authority under the Dutch Securities Laws to approve this Prospectus and application has been made for the Securities to be listed on the Official List and to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, which is regulated by Directive 2004/39/EC on Markets in Financial Instruments ("**MiFID**").

The AFM has been requested to provide the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the competent authority of Luxembourg for the purposes of the Prospectus Directive with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive. Further requests may be made in the future.

**The Securities are unsecured and unsubordinated general obligations of the Issuer and not of any affiliate of the 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 Bank, N.A. Guarantee: (i) is not a savings account or a deposit 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.**

**None of the Securities or the JPMorgan Chase Bank, N.A. 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.**

**SEE THE SECTION ENTITLED "RISK FACTORS" BELOW FOR CERTAIN INFORMATION THAT SHOULD BE CONSIDERED BY INVESTORS IN THE SECURITIES.**

*Dealer*

**J.P. Morgan**

## TABLE OF CONTENTS

	<b>Page</b>
SUMMARY OF THE PROSPECTUS .....	4
RISK FACTORS .....	10
PERFORMANCE SCENARIOS.....	19
IMPORTANT NOTICES.....	21
CONFLICTS OF INTEREST .....	23
DOCUMENTS INCORPORATED BY REFERENCE .....	24
SELECTED FINANCIAL INFORMATION .....	31
CONTRACTUAL TERMS.....	32
ANNEX A – OTHER APPLICABLE TERMS.....	39
ANNEX B – TRACKER FUND DISCLAIMER .....	51
GENERAL INFORMATION.....	52

## SUMMARY OF THE PROSPECTUS

*This summary must be read as an introduction to this Prospectus and any decision to invest in the Securities should be based on a consideration of this 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 Prospectus. Where a claim relating to the information contained in this 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 Prospectus before the legal proceedings are initiated.*

### Key Investor Information

***This section "Key Investor Information" forms part of the Summary and provides you with key investor information about this product. It is not marketing material. The information is being provided to help you understand the nature and risks of the Securities. You are advised to read it before deciding whether to invest.***

#### **1. Title of Securities**

J.P. Morgan Structured Products B.V. U.S.\$ 19,259,000 Callable Contingent Market Participation Notes linked to the iShares<sup>®</sup> MSCI Emerging Markets Index Fund, due October 2011 (the "Securities").

- (i) ISIN: XS0549102407.
- (ii) Common Code: 054910240.

#### **2. Name of Issuer of the Securities**

The Issuer is J.P. Morgan Structured Products B.V.

J.P. Morgan Structured Products B.V. 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. J.P. Morgan Structured Products B.V.'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.

#### **3. Name of any Guarantor of the Securities**

The Guarantor 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.'s activities are organised and integrated with the businesses of JPMorgan Chase & Co.

#### **4. Status of Securities and of any guarantee**

- (i) The Securities are unsecured and unsubordinated obligations of the Issuer. There are no cross default or negative pledge provisions in respect of the Securities.
- (ii) The guarantee of JPMorgan Chase Bank, N.A. is an unsecured and unsubordinated general obligation of JPMorgan Chase Bank, N.A. and not of any of its affiliates. The guarantee: (a) is not a savings account or a deposit of JPMorgan Chase Bank, N.A. or any bank or non-bank subsidiary of JPMorgan Chase Bank, N.A.; and (b) 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.

#### **5. Issue Price, specified denomination and form of the Securities**

- (i) The issue price shall be 100 per cent. of the principal amount per Security (being U.S.\$ 1,000).

Warning: The issue price may be more than (a) the market value of the Securities as at the Initial Valuation Date (being 6 October 2010) or the issue date or any other date and (b) the amount, if any, at which J.P. Morgan Securities Ltd. (as dealer) or any other person is willing to purchase the Securities in the secondary market, and may take into account amounts (I) with respect to commissions relating to the issue and sale of the Securities and (II) relating to the hedging of the Issuer's obligations under the Securities. If you are intending to purchase Securities through an intermediary (including by way of introducing broker) you should request details of any such commission or fee payment from such intermediary before making any purchase.

- (ii) The Securities 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.

#### **6. Issue date, maturity date, potential for early redemption and early termination**

- (i) The issue date is 20 October 2010.
- (ii) The maturity date is 20 October 2011 (subject to adjustment for non-business days).
- (iii) The Securities may be redeemed prior to the maturity date if the Calculation Agent determines that the closing share price of the Reference Asset on a Valuation Date is greater than or equal to the Auto-call Price. In such case, an early redemption event shall be deemed to have occurred on such Valuation Date, and unless the Securities have previously been redeemed or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem each Security (of the specified denomination of U.S.\$ 1,000) on the early redemption date in respect of such Valuation Date and the redemption amount in respect of each Security (of the specified denomination of U.S.\$ 1,000) shall be U.S.\$ 1,070.

For the avoidance of doubt, determinations made on monthly Valuation Dates shall be in order to determine whether an early redemption event has occurred. There shall be ten Valuation Dates in total.

- (iv) The Securities may be terminated at the option of the Issuer prior to the maturity date for taxation reasons or for reasons of illegality under the Conditions of the Securities. See General Conditions 17 and 18 of the "General Conditions" in the Base Prospectus incorporated by reference in this Prospectus. In such case, the amount payable on early termination shall be, for each Security, 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 termination) less all costs incurred by the Issuer or any affiliate in connection with such early termination, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

#### **7. Information on the Reference Asset**

Reference Asset	Initial Price	Final Price	Valuation Dates	Buffer Price	Auto-call Price
Shares of the iShares <sup>®</sup> MSCI Emerging Markets Index Fund (Bloomberg Code: EEM UP Equity)	U.S.\$ 46.06, being the closing share price of the Reference Asset on the initial valuation date (being 6 October 2010)	The closing share price of the Reference Asset on the final valuation date (which is scheduled to fall on 6 October 2011, subject to correction and adjustment in accordance with the Conditions)	6 December 2010, 6 January 2011, 4 February 2011, 7 March 2011, 6 April 2011, 6 May 2011, 6 June 2011, 6 July 2011, 8 August 2011 and 6 September 2011 (in each case subject to adjustment in accordance with	U.S.\$ 40.44068 (being 87.8 per cent. of the Initial Price)	U.S.\$ 49.2842 (being 107 per cent. of the Initial Price)

the Conditions)

**8. Interest on the Securities**

No interest shall be payable on the Securities.





**9. Final redemption amount of the Securities**

- (i) The final redemption amount payable on the maturity date of the Securities is linked to the performance of the Reference Asset.

**Holders of the Securities shall have no rights in relation to the Reference Asset.**

- (ii) Unless the Securities have previously been redeemed or cancelled and purchased prior to the maturity date under the Conditions of the Securities or redeemed pursuant to paragraphs 6(iii) or 6(iv) above, the Securities will be redeemed on the maturity date, and the final redemption amount for each Security (of the specified denomination of U.S.\$ 1,000) shall be determined in accordance with paragraph (a), (b) or (c) below, as applicable:
  - (a) if the Final Price is greater than the Initial Price, then the final redemption amount in respect of each Security (of the specified denomination of U.S.\$ 1,000) payable on the maturity date shall be an amount in USD determined by the Calculation Agent as the *product* of (I) U.S.\$ 1,000, *multiplied* by (II) the sum of (A) one, *plus* (B) the *lesser* of (1) 0.07 and (2) the *quotient* of (aa) the Final Price *minus* the Initial Price, *divided* by (bb) the Initial Price (such quotient being the Tracker Fund Return); or
  - (b) if the Final Price is equal to or less than the Initial Price but equal to or greater than the Buffer Price, then the final redemption amount in respect of each Security (of the specified denomination of U.S.\$ 1,000) payable on the maturity date shall be U.S.\$ 1,000; or
  - (c) if the Final Price is less than the Buffer Price, then the final redemption amount in respect of each Security (of the specified denomination of U.S.\$ 1,000) payable on the maturity date shall be an amount in USD determined by the Calculation Agent as the *product* of (I) U.S.\$ 1,000, *multiplied* by (II) the *greater* of (A) the *sum* of (1) one, *plus* (2) the product of (aa) 1.139, *multiplied* by (bb) the *sum* of (x) 0.122 plus (y) the Tracker Fund Return, and (B) 0.0001.

**10. Representative Symbols\***

Horizon	Market Outlook	Specified Denomination will be repaid?***	Investment Objective
			
1 year or less and Early Redemption	Bullish	Specified Denomination at Risk and might not be repaid	Growth

\* Classification of structured products into categories is not intended to guarantee particular results or performance

\*\* Any amount that would otherwise be payable in accordance with the redemption formula described above on early or final redemption of the Securities, is subject to (i) insolvency of the Issuer and Guarantor, (ii)(a) prior sale or (b) early redemption of the Securities for certain events (e.g., illegality) and (iii) adjustment made to the terms of the Securities.

**11. Key Risks**

*The risks described below are provided to highlight certain of the essential categories of risk only, and are by no means comprehensive. You should read "Risk Factors" in this Prospectus for a fuller description of certain risks in relation to the Securities.*

## **Investing in the Securities puts your capital at risk. You may lose some or all of your investment.**

(i) ***Risk that the Securities are not suitable or appropriate for you***

The Securities are structured products which include embedded derivatives, and before deciding to purchase Securities you must understand their terms including (a) the potential risk of the loss of some or all of your investment and (b) the relationship of the potential payout on the Securities to the performance of the underlying Reference Asset, including the characteristics and risks inherent in the Reference Asset.

You should reach an investment decision only after careful consideration, with your own tax, accounting, legal and other professional advisers, of the suitability of the Securities in the light of your particular financial circumstances and investment objectives and risk profile, and the information set forth in this Prospectus.

**You should not invest in the Securities unless you can withstand a loss of all of your investment.**

(ii) ***Risk that the Issuer and Guarantor may not make all payments under the Securities***

It is possible that the Issuer and Guarantor could go bankrupt or otherwise be unable to make the payments owing under the Securities. If that happens, you will not have the protection of any deposit insurance scheme and will not be secured, and may lose some or all of your money.

(iii) ***Risk from having no interest in the Reference Asset***

You should be aware that holders of Securities will have no interest whatsoever in the underlying Reference Asset, and the Issuer may apply your purchase moneys for any corporate purposes. Therefore, if the Issuer and Guarantor fail to make the required payments under the Securities, you will not be able to claim against any assets.

(iv) ***Risk as to the market value and payout of the Securities***

Investors in the Securities will be exposed to the performance of the Reference Asset: the past performance of the Reference Asset is not indicative of future performance. The market value of the Securities may be highly volatile and may be adversely affected by a number of factors, such as (a) the credit rating of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co. (which credit ratings may move independently of each other), (b) the performance of the Reference Asset and (c) various other factors.

(v) ***Risk that there will not be a liquid secondary market into which the Securities may be sold***

An active trading market for the Securities is not likely to develop: the Securities may have no liquidity or the market for the Securities may be limited and this may adversely impact their value or the ability of a Holder of the Securities to sell them.

(vi) ***Risk factors relating to the Issuer and the Guarantor***

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

- JPMorgan Chase's results of operations have been, and may continue to be, adversely affected by U.S. and international financial market and economic conditions
- If JPMorgan Chase does not effectively manage its liquidity, its business could be

negatively affected

- The financial condition of JPMorgan Chase's customers, clients and counterparties, including other financial institutions, could adversely affect JPMorgan Chase
- Concentration of credit and market risk could increase the potential for significant losses
- JPMorgan Chase's framework for managing risks may not be effective in mitigating risk and loss to it
- JPMorgan Chase's operations are subject to risk of loss from unfavourable economic, monetary, political, legal and other developments in the United States and around the world
- JPMorgan Chase's power generation and commodities activities are subject to extensive regulation, potential catastrophic events and environmental risks and regulation that may expose it to significant cost and liability
- JPMorgan Chase relies on its systems, employees and certain counterparties, and certain failures could materially adversely affect JPMorgan Chase's operations
- JPMorgan Chase operates within a highly regulated industry and its business and results are significantly affected by the laws and regulations to which JPMorgan Chase is subject
- JPMorgan Chase faces significant legal risks, both from regulatory investigations and proceedings and from private actions brought against it
- There is increasing competition in the financial services industry which may adversely affect JPMorgan Chase's results of operations
- JPMorgan Chase's acquisitions and the integration of acquired businesses may not result in all of the benefits anticipated
- Damage to JPMorgan Chase's reputation could damage its businesses
- JPMorgan Chase's ability to attract and retain qualified employees is critical to the success of its business and failure to do so may materially adversely affect JPMorgan Chase's performance
- JPMorgan Chase's financial statements are based in part on assumptions and estimates which, if wrong, could cause unexpected losses in the future
- JPMorgan Chase Bank, N.A. is affected by risks affecting its parent company
- The Issuer is partly dependent on other J.P. Morgan affiliates

(vii) ***Conflicts of Interest***

J.P. Morgan affiliates are subject to certain conflicts of interest between their own interests and those of Holders of the Securities. You should read "Conflicts of Interest" below.

**12. Calculation Agent**

The Calculation Agent shall be J.P. Morgan Securities Ltd. 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 cause early redemption of the Securities, any of which may be adverse to Holders of the Securities.

**13. Listing, admission to trading, clearance and rating**

- (i) Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is regulated by Directive 2004/39/EC on Markets in Financial Instruments).



- (ii) The Securities will be cleared on the issue date through Euroclear and Clearstream, Luxembourg.
- (iii) The Securities will not be rated.

**14. Practical Information**

- (i) You can find further information on the Issuer and the Guarantor in this Prospectus (including the information incorporated by reference in "Documents Incorporated by Reference" below). The documents incorporated by reference will be available on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)).

You can find the SEC filings of JPMorgan Chase & Co. (the parent company of the Guarantor) on the website maintained by the SEC at <http://www.sec.gov> and also on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>. Unless specifically incorporated by reference into this Prospectus, JPMorgan Chase & Co.'s filings with the SEC shall not be deemed to be part of this Prospectus.

- (ii) You can find further information on the Reference Asset in this Prospectus (including the information incorporated by reference) and at [www.bloomberg.com](http://www.bloomberg.com) and [http://us.ishares.com/product\\_info/fund/overview/EEM.htm](http://us.ishares.com/product_info/fund/overview/EEM.htm) (the information appearing on such web-sites does not form part of this Prospectus).

## RISK FACTORS

**Investment in 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, 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 this Prospectus along with all the information incorporated by reference into this Prospectus, including, for the avoidance of doubt, the risk factors that may affect the relevant Issuer's and Guarantor's ability to fulfil their respective obligations under the Securities, as specified in the table set out in the "Documents Incorporated by Reference" section.

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

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

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

- (i) the Issuer and the Guarantor of the Securities are subject to insolvency proceedings or some other event impairing the ability of each to meet its obligations under the Securities;
- (ii) due to the performance of the Reference Asset, the redemption amount payable under the terms and conditions of the Securities is less than the original invested amount;
- (iii) the investor seeks to sell the Securities prior to their scheduled redemption, and the sale price of the Securities in the secondary market is less than the investor's initial invested amount; and
- (iv) the 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 being reduced to or being valued at an amount less than an investor's initial invested amount.

The obligations of the Issuer and the Guarantor of the Securities are not secured. Notwithstanding that the Securities are linked to the performance of the Reference Asset, investors in the Securities do not have and shall not receive any rights in respect of the Reference Asset and shall have no right to call for the Reference Asset to be delivered to them. Neither the Issuer nor the Guarantor of the Securities shall be required to hold the Reference Asset.

#### 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:

- (i) 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 Prospectus;
- (ii) 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;
- (iii) 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;

- (iv) understand thoroughly (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment or other professional advisers) the terms of the Securities and be familiar with any relevant financial markets;
- (v) understand thoroughly (if necessary, in consultation with the investor's own legal, tax, accountancy, regulatory, investment or other professional advisers) the nature of the Reference Asset and how the performance thereof may affect the pay-out and value of the Securities; and
- (vi) 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 Issuer, Guarantor, Dealer or any J.P. Morgan affiliate has given, and none of them will 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 the Securities may be more than the market value of the 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 the 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 on redemption of the Securities may be adversely affected by a number of factors, and the price at which a Holder of such Securities may be able to sell such Securities prior to redemption may be at a substantial discount to the market value of such Securities on the Issue Date, and a Holder of the Securities may suffer a loss of some or up to all of the entire invested amount of the Securities on redemption**

- (i) *The amount payable on redemption of the Securities, and the market value of the Securities at any time, may be less than the original invested amount*

The return on the Securities is linked to the value of the Reference Asset. The Securities are not principal protected instruments. The Securities do not pay interest and the investor may lose some or substantially all of the invested amount to purchase the Securities. The price at which an investor will be able to sell Securities to the Issuer or its affiliates prior to the maturity date, if at all, may be at a substantial discount from the invested amount to purchase the Securities, even in cases where value of the Reference Asset has appreciated since the Issue Date.

**INVESTORS MUST REVIEW THIS PROSPECTUS TO ASCERTAIN HOW THE**

**PERFORMANCE OF THE REFERENCE ASSET WILL AFFECT THE AMOUNT PAYABLE ON THE SECURITIES.**

- (ii) *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-recognized rating agencies, such as Moody's Investors Service Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. A reduction in the rating, if any, accorded to outstanding securities of JPMorgan Chase Bank, N.A. or JPMorgan Chase & Co., by one of these rating agencies could result in a reduction in the trading value of the Securities.

- (iii) *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 the Securities.

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

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

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

- (a) market interest and yield rates;
- (b) the time remaining to the maturity date; and
- (c) numerous other economic, political and other factors.

The amount payable 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 Reference Asset.

Before selling the Securities, Holders of the Securities should carefully consider, among other things, (a) the trading price of the Securities, (b) the value and volatility of the Reference Asset, (c) the time remaining to the maturity date of the Securities, (d) the probable range of amounts payable on the Securities, (e) any changes in interim interest rates, (f) any changes in currency exchange rates, (g) the depth of the market or liquidity of the Reference Asset and (h) any related

transaction costs.

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

Holders of the Securities are exposed to the performance of the Reference Asset. 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 the 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.

(vi) ***The amount payable on redemption of the Securities may be less than the purchase price***

The pay-out formula of the Securities does not provide for full "principal protection". Investors in the Securities may risk losing virtually their entire investment if the value of the Reference Asset does not move in the anticipated direction and may still be subject to loss of some or all of their investment in the circumstances described in Risk Factor 1.1 (*Investors in Securities may receive back less than the original invested amount*) above and may not receive any value for the time for which their money is invested.

**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 Issuer or the Guarantor may seek in its sole discretion the delisting of any Securities without notice to the Holders of such Securities.

A secondary market is unlikely to develop and, even if a secondary market does develop, it is not possible to predict the price at which Securities will trade in such secondary market. Neither the Issuer nor any J.P. Morgan affiliate is under any obligation, and none of the Issuer, the Guarantor or any J.P. Morgan affiliate makes any commitment, to make a market in or to repurchase the Securities. If the Issuer, the Guarantor 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 investors in the secondary market**

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

**2.5 The Securities may be redeemed prior to their maturity date**

In certain circumstances, the Early Payment Amount payable on the redemption of a Security prior to its maturity date 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 the Securities

should consider such reinvestment risk in light of other investments available at that time.

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

- (i) the occurrence of a mandatory early redemption event (e.g., the price of the Reference Asset rises above or falls below a pre-determined barrier level), if specified in the terms and conditions of the Securities, may result in redemption of the Securities prior to the maturity date;
- (ii) the Issuer determines that its performance under any Security has become unlawful in whole or in part for any reason (see General Condition 17.1);
- (iii) the occurrence of certain taxation events (see General Condition 17.2); or
- (iv) following an Event of Default (see General Condition 16).

With regard to early redemption due to any of the above events, including due to illegality or tax, the Early Payment Amount in respect of each Security shall (unless otherwise specified in this Prospectus) 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, less all costs incurred by the Issuer or any affiliate in connection with such early redemption, including 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. 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.

**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 a valuation date in respect of the Reference Assets), 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 the Securities 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 the Reference Assets**

Investors intending to invest in Securities to hedge against the market risk associated with investing in the Reference Assets 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 Assets. 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 Assets. 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.

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

Subject as provided below, the terms and conditions of the Securities may be amended by the Issuer with

the approval of the Calculation Agent but without the consent of the Holders of the Securities if the 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 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 of the Securities. Any dissenting Holders of the Securities will be bound by such changes. Therefore the Issuer may be able to make a change which certain Holders of the Securities have voted against if up to 75 per cent. of the Holders of the entire series of Securities have approved the change.

#### **2.10 There may be regulatory consequences of ownership to the Holder of Securities linked to the Reference Asset**

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

#### **2.11 The Issuer or the Guarantor of Securities may be substituted without the consent of the Holders of the Securities**

The Issuer or the Guarantor of Securities may be substituted (subject to the Issuer or the Guarantor having become obliged (due to a change in law) to pay Additional Amounts in accordance with General Condition 18 (*Taxation*)) as obligor under such Securities in favour of any company from JPMorgan Chase & Co. and its consolidated subsidiaries. Whilst the new issuer will provide an indemnity in favour of the Holders of such Securities in relation to any additional tax or duties that become payable solely as a result of such substitution, Holders of the Securities will not have the right to object to such substitution. A notice of any substitution in accordance with General Condition 27 (*Substitution*) will be published in accordance with General Condition 26 (*Notices*).

### **3. Risk factors that are generic to Securities that are linked to the Reference Asset**

#### **3.1 No rights of ownership in the Reference Asset**

Investors in Securities should be aware that the Reference Asset 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 the 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 the Reference Asset.

#### **3.2 The performance of the Securities is linked to the performance of the Reference Asset**

As the Securities reference the Reference Asset, the investors in such Securities are exposed to the performance of the Reference Asset.

### 3.3 **The past performance of the 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 Securities 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 **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 of the Securities**

The Calculation Agent may in certain circumstances adjust the terms and conditions of the Securities (without the consent of the Holders of the Securities) and/or replace any original Reference Asset with an alternative tracker fund or an index or a basket of indices where particular adjustment events specified to be applicable to such Securities occur in accordance with such terms and conditions. This may have a considerable impact on the value and amount payable in respect of the Securities.

### 3.5 **There are significant risks in purchasing Securities which reference an emerging market Reference Asset**

As the terms and conditions of the Securities reference an emerging market Reference Asset, 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 the Reference Asset representing an 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 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.

## 4. **Risk factors associated with Securities that are linked to the Reference Asset**

### 4.1 **Risks associated with a Tracker Fund as Reference Asset**

An investment in Securities linked to a Tracker Fund such as the Securities entails significant risks in addition to those associated with investments in a conventional debt security. Capitalised terms used in this Risk Factor 4 and not defined herein shall have the respective meaning ascribed to each in the Contractual Terms below, or, if not defined in the Contractual Terms, the meaning ascribed to each in the Conditions.

- (i) ***Factors affecting the performance of Tracker Funds may adversely affect the value of the Securities***



No J.P. Morgan affiliate is affiliated with the Management Company of the Original Tracker Fund (being the iShares<sup>®</sup> MSCI Emerging Markets Index Fund) or any of the other companies whose stock is represented in the Fund Underlying Index of the Original Tracker Fund. As a result, no J.P. Morgan affiliate has the ability to control the actions of such companies, including actions that could affect the value of the stocks underlying such Fund Underlying Index, the value of the Original Tracker Fund and the value of the Securities. None of the investor's investment in the Securities will go to the Management Company or any of the companies included in the Original Tracker Fund and none of those companies will be involved in the offering of the Securities in any way. Neither they nor the Issuer nor any J.P. Morgan affiliate will have any obligation to consider the investor's interests as a holder of the Securities in taking any corporate actions that might affect the value of the Securities. Additionally, the Management Company may adjust a Tracker Fund in a variety of ways which may affect its price adversely to investors' interests.

(ii) ***No claim against the Tracker Fund or recourse to the Shares***

The Securities do not represent a claim against or an investment in any Tracker Fund and Holders will not have any right of recourse under the Securities to any such entity, the Management Company or the Shares of a Tracker Fund. The Securities are not in any way sponsored, endorsed or promoted by any Tracker Fund or Management Company and such companies have no obligation to take into account the consequences of their actions for any Holders. Accordingly, the Management Company or trustee of a Tracker Fund may take any actions in respect of any Shares of a Tracker Fund 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.

(iii) ***Determinations made by the Calculation Agent in respect of any Tracker Fund Potential Adjustment Event, Insolvency, Merger Event, Tracker Fund Delisting, Tracker Fund Trust Termination or changes to Fund Underlying Index of a Tracker Fund may have an adverse effect on the value of the Securities***

The Calculation Agent may in certain circumstances, for example following the occurrence of any Tracker Fund Potential Adjustment Event, Tracker Fund Merger Event, Tracker Fund Delisting or Tracker Fund Trust Termination in respect of the Tracker Fund or Insolvency in respect of the Tracker Fund, its Management Company or any custodian or other service provider to the Tracker Fund, adjust the terms and conditions of the Securities in its sole and absolute discretion, which may have an adverse effect on the value of the Securities.

Upon determining that a Fund Underlying Index of a Tracker Fund is calculated and announced by a successor or is replaced by a successor index or is not in existence, the Calculation Agent has broad discretion to make certain determinations to account for such event including deeming that the Fund Underlying Index will be the index calculated and announced by the successor or the successor index (and the Tracker Fund will be linked to such index or will be a successor exchange traded fund), or if the Fund Underlying Index is not in existence, replacing the Tracker Fund with another fund or another exchange traded fund linked to an alternative index.

(iv) ***Exposure to the risk that returns on the Securities do not reflect direct investment in underlying shares or other asset comprising the Tracker Fund***

Holders may receive a lower payment on the maturity date than they would have received if they had invested in an asset directly linked to the component stocks of the Tracker Fund or Fund Underlying Index or contracts related to the Tracker Fund or Fund Underlying Index. Holders will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of the shares comprised in the Tracker Fund or Fund Underlying Index would have. The

Final Redemption Amount payable on the maturity date for the Securities is linked to the closing share price of the Tracker Fund on the Final Valuation Date. The price of the Tracker Fund at various times during the term of the Securities could be higher than the closing share price of the Tracker Fund on the Final Valuation Date. This difference could be particularly large if there is a significant decrease in the price of the Tracker Fund during the latter portion of the term of the Securities or if there is significant volatility in the price of the Tracker Fund during the term of the Securities.

5. **Risk factors that may affect the Issuer's and Guarantor's ability to fulfil their respective obligations under the Securities**

Investors are advised to review the information contained in the Base Prospectus Risk Factor 6 (*Risk Factors that may affect the Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities*) that has been incorporated by reference into this Prospectus, together with the information in relation to the Issuer and the Guarantor incorporated by reference below. Investors are exposed to the credit risk of the Issuer and the Guarantor.

## PERFORMANCE SCENARIOS

*The scenarios presented below are examples and are purely indicative and are presented for illustrative purposes only. The examples shown below will not have an equal likelihood of occurrence. The redemption amount in respect of the Securities will be calculated in accordance with the terms and conditions of the Securities as set out in this Prospectus.*

The issue price is 100 per cent. of the nominal amount (being U.S.\$ 1,000) per Security, the Initial Price is U.S.\$ 46.06, the Auto-call Price is U.S.\$ 49.2842 and the Buffer Price is U.S.\$ 40.44068.

(i) **Early redemption amount**

- (a) **Scenario 1:** *The closing share price on a Valuation Date is greater than or equal to the Auto-call Price.*

In this scenario, an early redemption event has occurred. The Securities will be early redeemed on the early redemption date corresponding to such Valuation Date and the early redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 1,070. **In this scenario the return is capped.**

- (b) **Scenario 2:** *The closing share price on each Valuation Date is less than the Auto-call Price.*

In this scenario, an early redemption event will not occur on a Valuation Date.

(ii) **Final redemption amount.** *The following scenarios all assume that the closing share price on each Valuation Date is less than the Auto-call Price, i.e., no early redemption event has occurred.*

- (a) **Scenario 1 – negative return:** *The Final Price is zero.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 0.10. **In this scenario, an investor who purchased the Securities at the Issue Price will sustain an almost total loss of the amount invested.**

- (b) **Scenario 2 – negative return:** *The Final Price is less than the Buffer Price.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be less than U.S.\$ 1,000 and could be as low as U.S.\$ 0.10. **In this scenario, an investor who purchased the Securities at the Issue Price will sustain a loss of some of the amount invested and could sustain an almost total loss of the amount invested.**

- (c) **Scenario 3:** *The Final Price is equal to the Buffer Price.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 1,000. **In this scenario, an investor who purchased the Securities at the Issue Price will receive no return on the amount invested.**

- (d) **Scenario 4:** *The Final Price is less than the Initial Price but greater than the Buffer Price.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 1,000. **In this scenario, an investor who purchased the Securities at the Issue Price will receive no return on the amount invested.**

- (e) **Scenario 5:** *The Final Price is equal to the Initial Price.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 1,000. **In this scenario, an investor who purchased the Securities at the Issue Price will receive no return on the amount invested.**

- (f) **Scenario 6:** *The Final Price is equal to 107 per cent. of the Initial Price.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 1,070. **In this scenario the return is capped.**

- (g) **Scenario 7:** *The Final Price is equal to 150 per cent. of the Initial Price.*

The Securities will be redeemed on the maturity date and the final redemption amount payable per Security (of the specified denomination of U.S.\$ 1,000) will be U.S.\$ 1,070. **In this scenario the return is capped.**

**IMPORTANT NOTICES**

**Investing in the Securities puts your capital at risk. You may lose some or all of your investment.**

Each of JPMSP and JPMorgan Chase Bank, N.A. (together, the "**Responsible Persons**") accepts responsibility for the information given in this Prospectus and confirms that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

Notwithstanding the above paragraph or anything else in this Prospectus, neither the Issuer nor the Guarantor will accept responsibility for the information given in this Prospectus or the Contractual Terms in relation to offers of Securities made by an offeror not authorised by the Issuer and Guarantor to make such offers. Generally, each person named as "Dealer" or "Manager" and any party named as a "Distributor" (if any) or other "placer" (if any) in the Contractual 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 Issuer and Guarantor and, if it is not, the investor should be aware that neither the Issuer nor the Guarantor will be responsible for this Prospectus or the Contractual Terms for the purposes of the relevant securities laws. 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 Prospectus and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer and the Guarantor. If an investor is in any doubt about whether it can rely on this Prospectus and the Contractual 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 the 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 the 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 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 Issuer, JPMorgan Chase Bank, N.A., as a Guarantor or J.P. Morgan Securities Ltd. as dealer (the "Dealer"). Neither the delivery of this 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 Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor, since the date hereof or the date upon which this 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 Prospectus and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Dealer to inform themselves about and to observe any such restriction. The publication of this 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.

This 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 may only do so (i) in circumstances in which no obligation arises for the Issuer or the 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) 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. Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the Issuer or the Dealer to publish or supplement a prospectus for such offer. See also "Subscription and Sale" in the Base Prospectus (defined below) incorporated by reference into this Prospectus.

The Dealer has not separately verified the information contained in this Prospectus. The Dealer does not make any representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus. This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Guarantor or the Dealer that any recipient of this Prospectus should invest in the Securities. Each investor in the Securities should determine for himself or herself the relevance of the information contained in this Prospectus and any investment in the Securities should be based upon such investigation as such investor deems necessary. The Dealer expressly does not undertake to review the financial condition or affairs of any of the Issuer or the Guarantor during the life of the arrangements contemplated by this Prospectus nor to advise any purchaser or investor in the Securities of any information coming to the attention of the Dealer.

Investors in the 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.

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

The Jersey Financial Services Commission (the "Commission") has given, and has not withdrawn, its consent under Article 8 of the Control of Borrowing Order to the circulation in Jersey of an offer for subscription, sale or exchange of Securities by the Issuer. 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 Issuer or for the correctness of any statements made, or opinions expressed, with regard to them.

Capitalised terms used herein shall be as defined in "Contractual Terms" unless otherwise specified.

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

- (i) "U.S.\$ ", "USD", "\$ " and "U.S. Dollars" are to United States dollars;
- (ii) "JPMorgan Chase" are to JPMorgan Chase & Co. and its consolidated subsidiaries; and
- (iii) "JPMorgan Chase Bank" are to JPMorgan Chase Bank, N.A. and its consolidated subsidiaries

## CONFLICTS OF INTEREST

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

***J.P. Morgan affiliates may take positions in or deal with the Reference Asset***

The Issuer, the Guarantor and/or other J.P. Morgan affiliates may:

- 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 or related derivatives;
- in connection with an offering of Securities, enter into one or more hedging transactions with respect to the Reference Asset 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 or related derivatives which may adversely (or positively) affect the price, liquidity or value of the Securities and which could therefore be adverse to the interests of the Holders of the Securities.

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

As the Calculation Agent is a J.P. Morgan affiliate, potential conflicts of interest may exist between the Calculation Agent and the Holders of the Securities, 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 Issuer and all Holders of the Securities.

***J.P. Morgan affiliates may have confidential information relating to the Reference Asset and the Securities***

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

**DOCUMENTS INCORPORATED BY REFERENCE**

This document should be read and construed in conjunction with the documents incorporated by reference into this Prospectus and each supplement to this Prospectus. The information contained in the following documents is hereby incorporated by reference into this Prospectus and deemed to form a part of this Prospectus:

- (i) the base prospectus dated 14 May 2010 relating to the Structured Products Programme for the issuance of Notes, Warrants and Certificates by J.P. Morgan Structured Products B.V., J.P. Morgan Indies SRL, JPMorgan Chase Bank, N.A. and JPMorgan Chase & Co. (the "**2010 Base Prospectus**");
- (ii) the supplement to the 2010 Base Prospectus dated 4 June 2010 relating to Regulation S/Rule 144A Warrants, Rule 144A Securities and the unaudited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. for the quarter ended 31 March 2010 (the "**4 June 2010 Supplement**");
- (iii) the supplement to the 2010 Base Prospectus dated 4 August 2010 relating to the Form 8-K of JPMorgan Chase & Co. containing the earnings press release for the quarter ended 10 June 2010 and amending the Executive Officers of JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A. (the "**4 August 2010 Supplement**");
- (iv) the supplement to the 2010 Base Prospectus dated 24 August 2010 relating to the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 June 2010 and the unaudited interim financial statements of JPMSF for the six month period ended 30 June 2010 (the "**24 August 2010 Supplement**");
- (v) the supplement to the 2010 Base Prospectus dated 8 September 2010 relating to the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2010 (the "**8 September 2010 Supplement**");
- (vi) the report of PricewaterhouseCoopers LLP dated 23 August 2010 with respect to the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2010;
- (vii) the supplement to the 2010 Base Prospectus dated 12 October 2010 relating to the Interim Report of J.P. Morgan Bank Dublin plc for the six month period ended 30 June 2010, amending the Directors of JPMorgan Chase Bank, N.A. and amending all references to J.P. Morgan Securities Inc. and JPMSI (the "**12 October 2010 Supplement**");
- (viii) the supplement to the 2010 Base Prospectus dated 26 October 2010 relating to the Current Report on form 8-K of JPMorgan Chase & Co., dated 13 October 2010 filed with the U.S. Securities and Exchange Commission containing the earnings press release for the quarter ended 30 September 2010 (the "**26 October 2010 Supplement**");
- (ix) the supplement to the 2010 Base Prospectus dated 30 November 2010 relating to the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 30 September 2010 and the unaudited Consolidated Financial Statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 September 2010 (the "**30 November 2010 Supplement**"); and
- (x) the report of PricewaterhouseCoopers LLP dated 22 November 2010 with respect to the unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 September 2010,

(and the 2010 Base Prospectus as so supplemented by the 4 June 2010 Supplement, the 4 August 2010 Supplement, the 24 August 2010 Supplement, the 8 September 2010 Supplement, the 12 October 2010 Supplement, the 26 October 2010 Supplement and the 30 November 2010 Supplement, the "Base Prospectus").

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

**Information incorporated by reference****Page reference**

*From the 2010 Base Prospectus*



Cautionary Note regarding Forward Looking Statements	Pages 6 to 7
Risk Factor 6, "Risk Factors that may affect the relevant Issuer's and Guarantor's (if any) ability to fulfil their respective obligations under the Securities"	Pages 46 to 56
Documents Incorporated by Reference	Pages 58 to 64

The following documents are documents which are incorporated by reference into the 2010 Base Prospectus:

- (i) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2009;
- (ii) the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended 31 December 2008;
- (iii) the Proxy Statement on Schedule 14A of JPMorgan Chase & Co. dated 31 March 2010;
- (iv) the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended 31 March 2010;
- (v) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2009;
- (vi) the audited consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2008;
- (vii) the JPMSP audited financial statements for the year ended 31 December 2009;
- (viii) the JPMSP audited financial statements for the year ended 31 December 2008; and
- (ix) the Responsibility Statement and Audit Committee addendum to the JPMSP 2008 Audited Financial Statements, dated 23 April 2009

General Description of the Programme	Pages 65 to 70
Commonly Asked Questions	Pages 71 to 84
General Conditions	Pages 85 to 179
Annex 1- Share Linked Provisions	Pages 180 to 194
Use of Proceeds	Page 320
Form of JPMorgan Chase Bank, N.A. Guarantee	Pages 324 to 326
JPMorgan Chase & Co.	Pages 327 to 346
JPMorgan Chase Bank, N.A.	Pages 347 to 351
J.P. Morgan Structured Products B.V.	Pages 352 to 354
Book-Entry Clearing Systems	Pages 361 to 363
Subscription and Sale	Pages 364 to 386
Certain ERISA Considerations	Pages 403 to 407
Taxation	Pages 408 to 466
General Information	Pages 467 to 470
Guide to symbols which may appear on Final Terms	Pages 471 to 473
Index of Defined Terms	Pages 474 to 498

***From the 4 June 2010 Supplement***

Amendments to the Important Notices	Page 1
Amendments to the Summary	Pages 1 to 6
Documents Incorporated by Reference	Page 6

The following documents are documents which are incorporated by reference into the 4 June 2010 Supplement:

**Consolidated Financial Statements – JPMorgan Chase Bank, N.A.**

- (i) Consolidated Statements of Income (unaudited) for the three months ended March 31, 2010 and 2009;
- (ii) Consolidated Balance Sheets (unaudited) at March 31, 2010 and December 31, 2009;
- (iii) Consolidated Statements of Changes in Stockholders' Equity and Comprehensive Income (unaudited) for the three months ended March 31, 2010 and 2009;
- (iv) Consolidated Statements of Cash Flows (unaudited) for the three months ended March 31, 2010 and 2009; and
- (v) Notes to Consolidated Financial Statements (unaudited).

**Supplementary Information**

- (i) Selected Quarterly Financial Data (unaudited); and
- (ii) Selected Annual Financial Data (unaudited).

Amendments to Commonly Asked Questions	Page 6
Amendments to the General Conditions	Pages 7 to 11
Amendments to the Form of Final Terms for Securities other than German Securities	Page 12
Amendments to Subscription and Sale	Pages 12 to 13
Replacement of section entitled "U.S. Transfer Restrictions for Rule 144A Securities	Page 13
Amendments to the Taxation section	Page 13
Amendments to the General Information section	Page 13
ANNEX 1 United States	Pages 14 to 17
ANNEX 2 U.S. Transfer Restrictions	Pages 18 to 30

***From the 4 August 2010 Supplement***

Information incorporated by reference	Pages 2 to 3
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The following documents are documents which are incorporated by reference into the 4 August 2010 Supplement:

***From the JPMorgan Chase & Co. 15 July Form 8-K***

- Item 2.02 Results of Operations and Financial Condition
- Item 9.01 Financial Statements and Exhibits
- Exhibit 12.1 JPMorgan Chase & Co. Computation of Ratio of Earnings to Fixed Charges
- Exhibit 12.2 JPMorgan Chase & Co. Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividend Requirements
- Exhibit 99.1 JPMorgan Chase & Co. Earnings Release –Second Quarter 2010 Results
- Exhibit 99.2 JPMorgan Chase & Co. Earnings Release Financial Supplement — Second Quarter 2010

Amendment to the Base Prospectus	Page 3
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***From the 24 August 2010 Supplement***

Information incorporated by reference	Pages 2 to 4
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The following documents are documents which are incorporated by reference

into the 24 August 2010 Supplement:

***From the JPMorgan Chase & Co. August 2010 Form 10-Q***

**Part I – Financial Information**

- Item 1 – Consolidated Financial Statements – JPMorgan Chase & Co.:
- Consolidated Statements of Income (unaudited) for the three and six months ended June 30, 2010 and 2009
  - Consolidated Balance Sheets (unaudited) at June 30, 2010, and December 31, 2009
  - Consolidated Statements of Changes in Stockholders' Equity and Comprehensive Income (unaudited) for the six months ended June 30, 2010 and 2009
  - Consolidated Statements of Cash Flows (unaudited) for the for the six months ended June 30, 2010 and 2009
  - Notes to Consolidated Financial Statements (unaudited)
  - Consolidated Average Balance Sheets, Interest and Rates (unaudited) for the three and six months ended June 30, 2010 and 2009
  - Glossary of Terms and Line of Business Metrics
- Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operations:
- Consolidated Financial Highlights
  - Introduction
  - Executive Overview
  - Consolidated Results of Operations
  - Explanation and Reconciliation of the Firm's Use of Non-GAAP Financial Measures
  - Business Segment Results
  - Balance Sheet Analysis
  - Off-Balance Sheet Arrangements and Contractual Cash Obligations
  - Capital Management
  - Risk Management
  - Supervision and Regulation
  - Critical Accounting Estimates Used by the Firm
  - Accounting and Reporting Developments
  - Forward Looking Statements
- Item 3 – Quantitative and Qualitative Disclosures About Market Risk
- Item 4 – Controls and Procedures

**Part II – Other Information**

- Item 1 – Legal Proceedings
- Item 1A – Risk Factors
- Item 2 – Unregistered Sales of Equity Securities and Use of Proceeds
- Item 3 – Defaults Upon Senior Securities
- Item 4 – Submission of Matters to a Vote of Security Holders
- Item 5 – Other Information
- Item 6 – Exhibits

***From the Interim Financial Statements of JPMSF***

- Directors' report
- Financial Statements:
- Balance Sheet
  - Income Statement
  - Statement of comprehensive income
  - Statement of changes in equity
  - Cash flow statement
  - Notes to the financial statements
  - Amendments to the Base Prospectus

Pages 4 to 5

***From the 8 September 2010 Supplement***

Information incorporated by reference

Pages 2 to 3

The following documents are documents which are incorporated by reference into the 8 September 2010 Supplement:

***From the June 2010 Consolidated Financial Statements of JPMorgan Chase Bank, N.A.***

Consolidated Statements of Income (unaudited) for the three and six months ended June 30, 2010 and 2009

Consolidated Balance Sheets (unaudited) at June 30, 2010, and December 31, 2009

Consolidated Statements of Changes in Stockholder's Equity and Comprehensive Income (unaudited) for the six months ended June 30, 2010 and 2009

Consolidated Statements of Cash Flows (unaudited) for the six months ended June 30, 2010 and 2009

Notes to Consolidated Financial Statements (unaudited)

**Supplementary Information**

Selected Quarterly Financial Data (unaudited)

Selected Annual Financial Data (unaudited)

***From the 12 October 2010 Supplement***

Amendments to the Base Prospectus

Pages 3 to 4

***From the 26 October 2010 Supplement***

Information incorporated by reference

Page 3

The following documents are documents which are incorporated by reference into the 26 October 2010 Supplement:

***From the JPMorgan Chase & Co. 13 October 2010 Form 8-K***

Item 2.02 Results of Operations and Financial Condition

Item 9.01 Financial Statements and Exhibits

Exhibit 12.1 JPMorgan Chase & Co. Computation of Ratio of Earnings to Fixed Charges

Exhibit 12.2 JPMorgan Chase & Co. Computation of Ratio of Earnings to Fixed Charges and preferred Stock Dividend Requirements

Exhibit 99.1 JPMorgan Chase & Co. Earnings Release – Third Quarter 2010 Results

Exhibit 99.2 JPMorgan Chase & Co. Earnings Release Financial Supplement– Third Quarter 2010

***From the 30 November 2010 Supplement***

Information incorporated by reference

Pages 2 to 4

The following documents are documents which are incorporated by reference into the 30 November 2010 Supplement:

***From the JPMorgan Chase & Co. November 2010 Form 10-Q***

**Part I – Financial Information**

**Item 1 – Consolidated Financial Statements – JPMorgan Chase & Co.:**

Consolidated Statements of Income (unaudited) for the three and nine months ended September 30, 2010 and 2009

Consolidated Balance Sheets (unaudited) at September 30, 2010, and December 31, 2009

Consolidated Statements of Changes in Stockholders' Equity and Comprehensive Income (unaudited) for the nine months ended September 30, 2010 and 2009

Consolidated Statements of Cash Flows (unaudited) for the nine months ended September 30, 2010 and 2009

- Notes to Consolidated Financial Statements (unaudited)
- Consolidated Average Balance Sheets, Interest and Rates (unaudited) for the three and nine months ended September 30, 2010 and 2009
- Glossary of Terms and Line of Business Metrics
- Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operations:
  - Consolidated Financial Highlights
  - Introduction
  - Executive Overview
  - Consolidated Results of Operations
  - Explanation and Reconciliation of the Firm's Use of Non-GAAP Financial Measures
  - Business Segment Results
  - Balance Sheet Analysis
  - Off-Balance Sheet Arrangements
  - Capital Management
  - Risk Management
  - Supervision and Regulation
  - Other Matters
  - Critical Accounting Estimates Used by the Firm
  - Accounting and Reporting Developments
  - Forward Looking Statements
- Item 3 – Quantitative and Qualitative Disclosures About Market Risk
- Item 4 – Controls and Procedures
- Part II – Other Information
- Item 1 – Legal Proceedings
- Item 1A – Risk Factors
- Item 2 – Unregistered Sales of Equity Securities and Use of Proceeds
- Item 3 – Defaults Upon Senior Securities
- Item 4 – Submission of Matters to a Vote of Security Holders
- Item 5 – Other Information
- Item 6 – Exhibits

***From the September 2010 Consolidated Financial Statements of JPMorgan Chase Bank N.A.***

- Consolidated Statements of Income (unaudited) for the three and nine months ended September 30, 2010 and 2009
- Consolidated Balance Sheets (unaudited) at September 30, 2010, and December 31, 2009
- Consolidated Statements of Changes in Stockholder's Equity and Comprehensive Income (unaudited) for the nine months ended September 30, 2010 and 2009
- Consolidated Statements of Cash Flows (unaudited) for the nine months ended September 30, 2010 and 2009
- Notes to Consolidated Financial Statements (unaudited)
- Supplementary Information**
- Selected Quarterly Financial Data (unaudited)
- Selected Annual Financial Data (unaudited)
- Glossary of Terms**

Investors who have not previously reviewed the information contained in the above documents should do so in connection with their evaluation of the Securities. Any statement contained in a document, all or the relevant portion of which is incorporated by reference into this Prospectus, shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in this Prospectus or in any supplement to this 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](http://www.bourse.lu)).

JPMorgan Chase & Co.'s filings with the SEC are available to the public on the website maintained by the SEC at <http://www.sec.gov>. Such filings can also be inspected and printed or copied, for a fee, at the SEC's Office of Public Reference, 100 F Street N.E., Washington, D.C. 20549, U.S.A., or by contacting that office by phone: +001 202 942 8090, fax: +001 202 628 9001 or e-mail: [publicinfo@sec.gov](mailto:publicinfo@sec.gov). Investors may call the SEC at +001 800 732 0330 for further information on the public reference rooms. JPMorgan Chase & Co.'s SEC filings can also be viewed on JPMorgan Chase & Co.'s investor relations website at <http://investor.shareholder.com/jpmorganchase/>. Unless specifically incorporated by reference into this Prospectus, JPMorgan Chase & Co.'s filings with the SEC shall not be deemed to be part of this Prospectus.

JPMorgan Chase Bank, N.A. also files Consolidated Reports of Condition and Income ("**Call Reports**") with its primary federal regulator, the U.S. Office of the Comptroller of the Currency ("**OCC**"). These Call Reports are publicly available upon written request to the FDIC at 550 17th Street, N.W., Washington D.C. 20429, Attention: Disclosure Group, Room F-518. 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 Prospectus.

## SELECTED FINANCIAL INFORMATION

### Selected Financial Information of the Issuer

The profit after tax of JPMSP for the financial year ending 31 December 2009 was U.S.\$1,276,000 (U.S.\$9,183,000 for the financial year ended 31 December 2008). As at 31 December 2009 the total shareholders' funds of JPMSP were U.S.\$524,761,000 (U.S.\$523,485,000 as at 31 December 2008). JPMSP's profit on ordinary activities before taxation for the year ended 31 December 2009 was U.S.\$1,888,000 (U.S.\$12,841,000 for the year ended 31 December 2008). JPMSP's total assets at 31 December 2009 were U.S.\$48,698,805,000 (U.S.\$17,701,353,000 as at 31 December 2008). JPMSP's total liabilities as at 31 December 2009 were U.S.\$48,174,044,000 (U.S.\$17,177,868,000 as at 31 December 2008).

The profit after tax of JPMSP for the six month period ended 30 June 2010 was U.S.\$ 714,000 (U.S.\$ 731,000 for the six month period ended 30 June 2009). As at 30 June 2010 the total shareholders' funds of JPMSP were U.S.\$ 525,475,000 (U.S.\$ 524,216,000 as at 30 June 2009). JPMSP's profit on ordinary activities before taxation for the year ended 30 June 2010 was U.S.\$ 968,000 (U.S.\$ 961,000 for the year ended 30 June 2009). JPMSP's total assets as at 30 June 2010 were U.S.\$ 19,553,375 (U.S.\$ 48,698,805,000 as at 31 December 2009). JPMSP's total liabilities as at 30 June 2010 were U.S.\$ 19,027,900 (U.S.\$ 48,174,044,000 as at 31 December 2009).

### Selected Financial Information of the Guarantor

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#### Selected income statement data (Unaudited)

(in millions)	Nine months ended 30 September	
	<u>2010</u>	<u>2009</u>
Total net revenue	\$ 55,749	\$ 60,321
Total noninterest expense	36,484	33,704
Provision for credit losses	6,664	17,086
Income before income tax expense and extraordinary gain	12,601	9,531
Income tax expense	3,361	3,064
<b>Net income</b>	<b>\$ 9,240</b>	<b>\$ 6,543</b>

---

#### Selected balance sheet data (Unaudited)

(in millions)	<u>30 September 2010</u>	<u>31 December 2009</u>
Trading assets	\$ 355,575	\$ 302,589
Securities	334,447	347,873
Loans	559,220	558,424
Total assets	1,642,691	1,627,684
Deposits	984,210	1,024,036
Long-term debt	65,259	68,679
Total stockholders' equity	132,170	127,294

**CONTRACTUAL TERMS**

The Conditions of the Securities shall comprise the General Conditions (as completed and/or amended by the terms of the relevant Specific Product Provisions as specified to be applicable by these Contractual Terms) incorporated by reference herein (see "Documents Incorporated by Reference" above), as completed and/or amended by these Contractual Terms.

- |    |  |   |
|----|--|---|
| 1. | (i) Issuer:                              | J.P. Morgan Structured Products B.V.          |
|    | (ii) Guarantor:                          | JPMorgan Chase Bank, N.A.                     |
| 2. | (i) Series Number:                       | 2010-5347                                     |
|    | (ii) Tranche Number:                     | One   |
| 3. | <b>Specified Currency or Currencies:</b> | United States dollar ("U.S.\$ " or "USD")     |
| 4. | <b>Notes, Warrants or Certificates:</b>  | Notes   |
| 5. | <b>Aggregate Nominal Amount:</b>         |   |
|    | (i) Series:                              | U.S.\$ 19,259,000                             |
|    | (ii) Tranche:                            | U.S.\$ 19,259,000                             |
| 6. | <b>Issue Price:</b>                      | 100 per cent. of the Aggregate Nominal Amount |

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

If any commissions or fees relating to the issue and sale of these Securities have been paid or are payable by the Dealer to an intermediary, then such intermediary may be obliged to fully disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC), or as otherwise may apply in any non-EEA jurisdictions

Investors in these Securities intending to invest in Securities through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof

- |      |                                    |                           |
|------|------------------------------------|---------------------------|
| (i)  | Specified Denominations:           | U.S.\$ 1,000 per Security |
| (ii) | Trading in Units ( <i>Notes</i> ): | Not Applicable            |



- (iii) Minimum trading size: The Securities may only be traded in a minimum initial amount of 80 Securities (corresponding to an aggregate Nominal Amount of U.S.\$ 80,000) and, thereafter, in multiples of one Security (corresponding to a Nominal Amount of U.S.\$ 1,000)
7. **Issue Date:** 20 October 2010
8. **Maturity Date:** 20 October 2011

**PROVISIONS APPLICABLE TO NOTES****PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

9. **Interest Commencement Date:** Not Applicable
10. **Fixed Rate Note Provisions:** Not Applicable
11. **Floating Rate Note Provisions:** Not Applicable
12. **Zero Coupon Note Provisions:** Not Applicable
13. **Variable Linked Interest Provisions:** Not Applicable
14. **Dual Currency Note Provisions:** Not Applicable

**PROVISIONS RELATING TO REDEMPTION OF NOTES**

15. **Call Option:** Not Applicable
16. **Put Option:** Not Applicable
17. **Final Redemption Amount:** As set out in Annex A below

In cases where the Final Redemption Amount is Share Linked, Index Linked, Commodity Linked, FX Linked or other variable linked:

- (i) Reference Asset(s): The Tracker Fund (as defined in Annex A below)
- (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: As specified in Annex A below
- (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 Annex A below
18. **Early Payment Amount:**
- (i) Early Payment Amount(s) payable on redemption for taxation reasons: As set out in General Condition 31

(General Condition 5.7), an event of default (General Condition 16) or termination events (General Condition 17) and/or the method of calculating the same (if required or if different from that set out in the General Conditions):

- |      |  |                |
|------|--|----------------|
| (ii) | (If Interest Payment Dates are specified in these Final Terms) redemption for taxation reasons permitted only on Interest Payment Dates (General Condition 5.7):   | Not Applicable |
| 19.  | <b>Credit Linked Note Provisions:</b>  | Not Applicable |
| 20.  | <b>Details relating to Instalment Notes:</b>   | Not Applicable |
| 21.  | <b>Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):</b>   | Not Applicable |
| 22.  | <b>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:</b> | Not Applicable |

***PROVISIONS APPLICABLE TO WARRANTS***

Paragraphs 23-34 are intentionally deleted

***PROVISIONS APPLICABLE TO CERTIFICATES***

Paragraphs 35-40 are intentionally deleted

**CERTIFICATE COUPON PROVISIONS**

- |     |   |                |
|-----|---|----------------|
| 41. | <b>Certificate Coupon Provisions (General Condition 8):</b>                 | Not Applicable |
| 42. | <b>Certificate Floating Rate Coupon Provisions (General Condition 8.3):</b> | Not Applicable |

**SPECIFIC PRODUCT PROVISIONS APPLICABLE TO THE SECURITIES**

**SHARE LINKED PROVISIONS**

- |     |                                 |                |
|-----|---------------------------------|----------------|
| 43. | <b>Share Linked Provisions:</b> | Not Applicable |
|-----|---------------------------------|----------------|

**INDEX LINKED PROVISIONS**

- |     |                                 |                |
|-----|---------------------------------|----------------|
| 44. | <b>Index Linked Provisions:</b> | Not Applicable |
|-----|---------------------------------|----------------|

**COMMODITY LINKED PROVISIONS**

- |     |                                     |                |
|-----|-------------------------------------|----------------|
| 45. | <b>Commodity Linked Provisions:</b> | Not Applicable |
|-----|-------------------------------------|----------------|

**FX LINKED PROVISIONS**

46. **FX Linked Provisions:** Not Applicable

**MARKET ACCESS PARTICIPATION PROVISIONS**

47. **Market Access Participation Provisions:** Not Applicable

**LOW EXERCISE PRICE WARRANT PROVISIONS**

48. **Low Exercise Price Warrant Provisions:** Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE SECURITIES**

49. **New Global Note:** No

50. **Form of Securities:** Registered Securities

(i) Temporary or Permanent Bearer Global Security / Registered Global Security: Temporary Registered Global Security which is exchangeable for a Permanent Registered Global Security, which is exchangeable for Registered Definitive Securities (i) automatically in the limited circumstances specified in the Permanent Registered Global Security or (ii) at any time at the option of the Issuer by giving notice to the Holders and the Relevant Programme Agent of its intention to effect such exchange on the terms as set forth in the relevant Registered Global Security.

(ii) Are the Notes to be issued in the form of obligations under French law? No

(iii) Name of Registration Agent: Not Applicable

(iv) Representation of holders of Notes/Masse: Not Applicable

(v) Applicable TEFRA exemption: Not Applicable

(vi) Regulation S/Rule 144A Warrants: Not Applicable

51. **Record Date:** As set out in the General Conditions

52. **Additional Financial Centre(s) (General Condition 13.2) or other special provisions relating to payment dates:** Not Applicable

53. **Payment Disruption Event (General Condition 14):** Not Applicable

54. **Physical Delivery:** Not Applicable

55. **Calculation Agent:** J.P. Morgan Securities Ltd.

56. **Redenomination, renominalisation and reconventioning provisions:** Not Applicable

57. **Gross Up (General Condition 18):** Applicable – as specified in General Condition 18.1

58. **Other final terms or special conditions:** Applicable – see Annex A below

**DISTRIBUTION**

59. **If non-syndicated, name and address of Dealer:** J.P. Morgan Securities Ltd. of 125 London Wall, London EC2Y 5AJ
60. **Stabilising Manager(s) (if any):** Not Applicable
- (i) If syndicated, names and addresses of Managers and underwriting commitments: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
61. **Total commission and concession:** See paragraph 6 above
62. **U.S. selling restrictions:** Regulation S
- The Securities will constitute "registration required obligations" issued in registered form for U.S. federal income tax purposes
- ERISA Restrictions for all Securities (including Rule 144A Securities and Securities subject to Regulation S)**
- JPMSP 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 "U.S. Transfer Restrictions– ERISA Legends and ERISA Restrictions – (b) JPMSP/JPMBD/JPMI Standard Restrictions" in the Base Prospectus.
63. **Non-exempt Offer:** Not Applicable
64. **Additional Selling restrictions:** Not Applicable

**GENERAL**

65. The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [●] 1 = U.S.\$ [●] producing a sum of (for Notes not denominated in U.S. dollars): Not Applicable

18188238/Ashurst(RCG/DBOUME)/MS

## OTHER INFORMATION

### LISTING AND ADMISSION TO TRADING

Application 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 (which is regulated by Directive 2004/39/EC on Markets in Financial Instruments) 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).

The Issuer has no duty to maintain the listing (if any) of the Securities on the Luxembourg Stock Exchange 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 Luxembourg Stock Exchange.

**RATINGS** Not Applicable

### INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in paragraph 2 of the section of the Base Prospectus entitled "Subscription and Sale" and in the section of this Prospectus entitled "Conflicts of Interest", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

### REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- |       |   |                |
|-------|---|----------------|
| (i)   | Reasons for the offer:  | Not Applicable |
| (ii)  | Estimated net proceeds:                                       | Not Applicable |
| (iii) | Estimated total expenses related to the admission to trading: | Not Applicable |

### PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Whether the Securities redeem early or on the Maturity Date and the amount payable on redemption depends on the performance of the Tracker Fund. See the Contractual Terms and Annex A for further details.

For a summary of how the performance of the Tracker Fund will affect the return on the Securities in certain illustrative scenarios, see the "Performance Scenarios" section above. **In particular, in certain circumstances depending on the performance of the Tracker Fund, the return on the Securities may be less than the original amount invested and investors may lose some or almost all of their investment in the Securities.**

Details of the past and future performance and the volatility of the Original Tracker Fund may be obtained from [http://us.ishares.com/product\\_info/fund/overview/EEM.htm](http://us.ishares.com/product_info/fund/overview/EEM.htm) (the information appearing on such web-sites does not form part of this Prospectus) and Bloomberg<sup>®</sup>. See also the disclaimer set out in Annex B.

The value of the investment in the Notes will be affected by changes in the value of the Tracker Fund as specified in the section titled "Contractual Terms" of this Prospectus above.

The Final Redemption Amount and the value of the Notes will depend on the performance of the Tracker Fund. See the sections titled "Contractual Terms" above and "Annex A-Other Applicable Terms" of this Prospectus below for further details.

Capitalised terms used herein shall have the meanings ascribed to them in the Contractual Terms or Annex A.

### POST-ISSUANCE INFORMATION

The Issuer will not provide any post-issuance information with respect to the Reference Asset, unless required to do so by applicable law or regulation.

**OPERATIONAL INFORMATION**

Intended to be held in a manner which would allow Eurosystem eligibility:	No
ISIN:	XS0549102407
Common Code:	054910240
Relevant Clearing System(s) and the relevant identification number(s):	Euroclear/Clearstream, Luxembourg
Delivery:	Delivery against payment
The Agents appointed in respect of the Securities are:	As set out in the Agency Agreement
Registrar:	The Bank of New York Mellon (Luxembourg) S.A.

## ANNEX A

## OTHER APPLICABLE TERMS

1. **Redemption**

The Issuer shall redeem each Security (of the Specified Denomination) on an Early Redemption Date or the Maturity Date, as the case may be, pursuant to paragraphs (i) or (ii) below, as applicable:

(i) **Redemption on an Early Redemption Date**

If the Calculation Agent determines, on a Valuation Date, that the Closing Share Price on such Valuation Date is greater than or equal to the Auto-call Price (in which case an "**Early Redemption Event**" shall be deemed to have occurred on such Valuation Date), then, unless the Securities have previously been redeemed or purchased and cancelled in accordance with the Conditions, the Issuer shall redeem each Security (of the Specified Denomination) on the Early Redemption Date in respect of such Valuation Date by payment of an amount in the Specified Currency equal to the product of SD and 1.07.

(ii) **Redemption on the Maturity Date**

Unless previously redeemed or purchased and cancelled in accordance with the Conditions, and provided that an Early Redemption Event has not occurred on any Valuation Date, the Issuer shall redeem each Security (of the Specified Denomination) on the Maturity Date in accordance with paragraph (a), (b) or (c) below, as applicable:

- (a) if the Final Price is greater than the Initial Price (as determined by the Calculation Agent), then the Final Redemption Amount in respect of each Security (of the Specified Denomination) shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$SD \times [1 + \text{Min}(0.07; \text{Tracker Fund Return})]; \text{ or}$$

- (b) if the Final Price is equal to or less than the Initial Price but equal to or greater than the Buffer Price, then the Final Redemption Amount in respect of each Security (of the Specified Denomination) shall be an amount in the Specified Currency equal to SD; or
- (c) if the Final Price is less than the Buffer Price, then the Final Redemption Amount in respect of each Security (of the Specified Denomination) shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$SD \times \text{Max}\{[1 + (1.139 \times (0.122 + \text{Tracker Fund Return}))]; 0.0001\}$$

2. **Definitions**

The following terms shall have the following meanings:

**"Auto-call Price"** means a value determined by the Calculation Agent as being 107 per cent. (107%) of the Initial Price of the Tracker Fund. In respect of the Original Tracker Fund, the Auto-call Price shall be U.S.\$ 49.2842, as determined by the Calculation Agent as of the date of these Final Terms, and subject to adjustment and correction in accordance with the Conditions.

**"Buffer Price"** means a value determined by the Calculation Agent as being 87.8 per cent. (87.8%) of the Initial Price of the Tracker Fund. In respect of the Original Tracker Fund, the Buffer Price shall be U.S.\$ 40.44068, as determined by the Calculation Agent as of the date of these Final Terms, and subject to adjustment and correction in accordance with the Conditions.

**"Closing Share Price"** means, on any day in respect of the Tracker Fund, the Share Price of a Share of such Tracker Fund on the Exchange as of the Valuation Time on the relevant day, as determined by the

Calculation Agent.

**"Early Redemption Date"** means in respect of each Valuation Date, the tenth Business Day following such Valuation Date.

**"Fallback Valuation Date"** means, in respect of the determination of the Closing Share Price of the Tracker Fund on:

- (i) the Initial Valuation Date and each Valuation Date, the second Business Day prior to the Early Redemption Date immediately following such date; and
- (ii) the Final Valuation Date, the second Business Day prior to the Maturity Date.

**"Final Price"** means the Closing Share Price of the Tracker Fund on the Final Valuation Date, as determined by the Calculation Agent and subject to adjustment and correction in accordance with the Conditions, as amended and completed herein.

**"Final Valuation Date"** means 6 October 2011 (the **"Scheduled Final Valuation Date"**), provided that if the Scheduled Final Valuation Date is not a Scheduled Trading Day or is a Disrupted Day in respect of the Tracker Fund, then the provisions of paragraph 3 (*Consequences of Disrupted Days or Non-Scheduled Trading Days*) below shall apply.

**"Initial Price"** means a value determined by the Calculation Agent as being the Closing Share Price of the Tracker Fund on the Initial Valuation Date, as determined by the Calculation Agent. In respect of the Original Tracker Fund, the Initial Price shall be U.S.\$ 46.06, as determined by the Calculation Agent as of the date of this document, and subject to adjustment and correction in accordance with the Conditions, as amended and completed herein.

**"Initial Valuation Date"** means 6 October 2010 (the **"Scheduled Initial Valuation Date"**), provided that if the Scheduled Initial Valuation Date is not a Scheduled Trading Day or is a Disrupted Day in respect of the Tracker Fund (other than the Original Tracker Fund), then the provisions of paragraph 3 (*Consequences of Disrupted Days or Non-Scheduled Trading Days*) below shall apply.

**"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.

**"Min"** followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a semi-colon inside those brackets.

**"Original Tracker Fund"** means the iShares<sup>®</sup> MSCI Emerging Markets Index Fund (*Bloomberg Code: EEM UP <Equity>; ISIN: US4642872349*).

**"Replacement Tracker Fund"** means each alternative tracker fund, as selected by the Calculation Agent pursuant to the provisions of paragraph 5(i)(1) (*Substitution of a Tracker Fund*) below.

**"SD"** means, in respect of each Security, the Specified Denomination, being U.S.\$ 1,000 (or, if less, its outstanding nominal amount).

**"Shares"** means, in respect of the Original Tracker Fund, as specified in the Schedule to Annex A, and, following a replacement thereof pursuant to the terms of paragraph 5 (*Substitution of a Tracker Fund*) below, the relevant shares or units of the relevant class of a Replacement Tracker Fund (and **"Share"** means any such share of the relevant class of the relevant Tracker Fund and a **"Shareholder"** means a holder of a Share).

**"Share Price"** has the meaning in the Schedule to Annex A.

**"Tracker Fund"** means the Original Tracker Fund, or, following the replacement thereof, the Replacement Tracker Fund replacing such Original Tracker Fund (and any tracker fund replacing such Replacement Tracker Fund). Any tracker fund that is replaced shall cease to be the Tracker Fund for the purposes of the Securities upon being replaced, and any Replacement Tracker Fund shall become the Tracker Fund upon such replacement becoming effective.



"**Tracker Fund Return**" means, in respect of the Final Valuation Date, an amount determined by the Calculation Agent in accordance with the following formula:

$$\frac{\text{Final Price} - \text{Initial Price}}{\text{Initial Price}}$$

"**Valuation Date**" means 6 December 2010, 6 January 2011, 4 February 2011, 7 March 2011, 6 April 2011, 6 May 2011, 6 June 2011, 6 July 2011, 8 August 2011 and 6 September 2011 (each a "**Scheduled Valuation Date**"), provided that if any Scheduled Valuation Date is not a Scheduled Trading Day or is a Disrupted Day for a Tracker Fund, then the provisions of paragraph 3 (*Consequences of Disrupted Days or Non-Scheduled Trading Days*) below shall apply to the Valuation Date corresponding to such Scheduled Valuation Date.

### 3. **Consequences of Disrupted Days or non-Scheduled Trading Days**

- (i) In respect of the Tracker Fund, if the Scheduled Initial Valuation Date, any Scheduled Valuation Date or the Scheduled Final Valuation Date corresponding to the Initial Valuation Date, the relevant Valuation Date or the relevant Final Valuation Date, respectively (each such date being a "**Determination Date**", and the original date on which it was scheduled to fall being the "**Scheduled Determination Date**" for such Determination Date) is not a Scheduled Trading Day or is a Disrupted Day in respect of such Tracker Fund (such Tracker Fund being an "**Affected Underlying**" for the purposes of this paragraph 3(i)), then the relevant Determination Date for such Affected Underlying shall be the next following Scheduled Trading Day for such Affected Underlying that the Calculation Agent determines is not a Disrupted Day in respect of such Affected Underlying, unless the Calculation Agent determines that, in respect of the relevant Determination Date, each of the eight Scheduled Trading Days immediately following the relevant Scheduled Determination Date is a Disrupted Day for such Affected Underlying. In that case, that eighth Scheduled Trading Day in respect of the relevant Determination Date shall be deemed to be the relevant Determination Date, notwithstanding the fact that it is a Disrupted Day for such Affected Underlying, and the Calculation Agent shall determine its good faith estimate of the value of the Share of such Tracker Fund as of the Valuation Time on that eighth Scheduled Trading Day in respect of the relevant Determination Date, and such value shall be deemed to be the Closing Share Price of such Tracker Fund for the relevant Determination Date.
- (ii) If, pursuant to the adjustments set out in paragraph 3(i) above, the Final Valuation Date for any Affected Underlying would otherwise fall after the Fallback Valuation Date applicable to such Affected Underlying and such date, then such Fallback Valuation Date shall be deemed to be the Final Valuation Date for such Affected Underlying, and the Closing Share Price of such Affected Underlying for such date shall be such value determined by the Calculation Agent as its good faith estimate of the value of the Share of such Tracker Fund as of the Valuation Time on such day.

### 4. **Potential Adjustment Events in respect of a Tracker Fund**

- (i) Following the declaration by or on behalf of a Tracker Fund of a Tracker Fund Potential Adjustment Event or following any adjustment to the settlement terms of listed contracts on the Shares or the Fund Underlying Index traded on a Related Exchange (each such term as defined in the Schedule to Annex A applicable to such Tracker Fund), the Calculation Agent in its sole and absolute discretion will determine whether such Tracker Fund Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will:
  - (a) make the corresponding adjustment(s) (the "**Adjustments**"), if any, to any of the relevant terms of the Securities as the Calculation Agent determines, in its sole and absolute discretion, appropriate to account for that diluting or concentrative effect; and

- (b) determine the effective date(s) of the Adjustments. In such case, the Adjustments shall be deemed to be effective from such date(s).
- (ii) The Calculation Agent may (but need not) in its sole and absolute discretion determine the appropriate Adjustments by reference to the adjustments in respect of such Tracker Fund Potential Adjustment Event made by any Related Exchange to listed contracts on the Shares or the Fund Underlying Index traded on such Related Exchange.
- (iii) Upon making any such Adjustment, the Calculation Agent will as soon as practicable notify the Issuer and the Principal Programme Agent, who shall promptly notify the Holders of the Adjustments and giving brief details of the Tracker Fund Potential Adjustment Event.
- (iv) **"Tracker Fund Potential Adjustment Event"** means with respect to any Tracker Fund and/or Share, any of the following as determined by the Calculation Agent:
  - (a) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Tracker Fund 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 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 such Tracker Fund equally or proportionately with such payments to holders of such Shares or (III) share capital or other securities of another share issuer acquired or owned (directly or indirectly) by such Tracker Fund 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) a distribution of an amount per Share which the Calculation Agent determines should be characterised as an extraordinary dividend;
  - (d) a call by such Tracker Fund in respect of relevant Shares that are not fully paid;
  - (e) a repurchase by such Tracker Fund 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) there occurs 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 such Tracker Fund 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) there occurs any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

## 5. **Substitution of a Tracker Fund**

- (i) Upon the occurrence (as determined by the Calculation Agent) of an Insolvency in respect of a Tracker Fund, its Management Company or any custodian or other service provider to such Tracker Fund, a Tracker Fund Merger Event, a Tracker Fund Delisting or Tracker Fund Trust Termination in relation to a Tracker Fund or if the index underlying such Tracker Fund ceases to

exist (in any such case, an "**Affected Tracker Fund**"), the Calculation Agent shall notify the Issuer and the Principal Programme Agent who shall promptly notify the Holders thereof, and the Calculation Agent shall then (either at the same time that it makes the notification referred to in the preceding sentence, or at such later time that it determines, in its sole and absolute discretion, to be appropriate, which later time may be determined by the Calculation Agent after any necessary information has been obtained from and/or released by such Tracker Fund) (a)(I) make such adjustments to any variable, calculation methodology, valuation, settlement, payment terms or any other terms and conditions of the Securities as the Calculation Agent determines appropriate to account for the effect on the Securities of such Insolvency, Tracker Fund Merger Event, Tracker Fund Delisting, Tracker Fund Trust Termination or such index underlying such Tracker Fund ceasing to exist, and (II) determine the effective date of the relevant adjustments, or (b) if the Calculation Agent determines that no adjustment that it could make under (a) will produce a commercially reasonable result, the Calculation Agent shall notify the Issuer and the Principal Programme Agent (who shall promptly notify the Holders) and shall select:

- (1) an alternative tracker fund which is denominated in the same currency and, in the reasonable opinion of the Calculation Agent, has a similar investment objective as the Affected Tracker Fund to replace the Affected Tracker Fund (such replacement tracker fund being the "**Replacement Tracker Fund**" in respect of such Affected Tracker Fund); and
  - (2) the appropriate date (the "**Tracker Fund Substitution Date**") for the replacement of the Affected Tracker Fund by the Replacement Tracker Fund (and, for the avoidance of doubt, any Tracker Fund Substitution Date may be set by the Calculation Agent on any date, including, without limitation, prior to the event which resulted in the substitution or prior to the Issue Date).
- (ii) Following any such selection pursuant to paragraph 5(i) (*Substitution of a Tracker Fund*):
- (a) the Replacement Tracker Fund shall replace the Affected Tracker Fund on the Tracker Fund Substitution Date;
  - (b) references herein to the Affected Tracker Fund shall be deemed to be references to the Replacement Tracker Fund with effect from the Tracker Fund Substitution Date; and
  - (c) the Calculation Agent shall, in its sole and absolute discretion, 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 replacement.
- (iii) If the Calculation Agent is unable to, or does not, for any reason, select a Replacement Tracker Fund and/or a Tracker Fund Substitution Date in respect of an Affected Tracker Fund, the Calculation Agent shall select (a) an index or a basket of indices (and the respective weighting of each index in such basket) which is denominated in the same currency as the Affected Tracker Fund and has, in the reasonable opinion of the Calculation Agent, similar economic characteristics as the Affected Tracker Fund (such index shall be, in relation to such Affected Tracker Fund, the "**Replacement Index**", and if a basket of indices is selected, such basket shall be referred to as the "**Replacement Index Basket**" and each index comprising the basket shall be referred to as a "**Component Index**"), and (b) the date from which such Replacement Index or Replacement Index Basket, as the case may be, shall replace the Affected Tracker Fund (in relation such Affected Tracker Fund, the "**Index Substitution Date**") (and, for the avoidance of doubt, any Index Substitution Date may be set by the Calculation Agent such that it falls prior to the event

which resulted in the substitution, including, without limitation, on or prior to the Issue Date), and the Calculation Agent shall notify the Issuer and the Principal Programme Agent who shall promptly notify the Holders.

- (iv) Following any such selection pursuant to paragraph 5(iii) (*Substitution of a Tracker Fund*), the Replacement Index or Replacement Index Basket, as the case may be, shall replace the Affected Tracker Fund on the Index Substitution Date and the Calculation Agent shall, in its sole and absolute discretion, make such adjustment(s), modification(s), substitution(s), calculation(s), determination(s) and/or cancellation(s) that it determines in its discretion to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms, redemption amount, disruption mechanism or any other terms in respect of the Securities to account for such replacement (including, for the avoidance of doubt, the manner in which the Securities shall be redeemed, any amount payable on redemption and/or whether any asset is to be delivered (and, if so, the amount thereof) on redemption).
- (v) For the purposes hereof:

**"Insolvency"** means, in respect of any relevant entity, that the relevant entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (d)(I) 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 of its head or home office, 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 (II) has instituted against it a proceeding seeking 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, and such proceeding or petition is instituted or presented by a person or entity not described in (I) above and either (x) results in a judgement or insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof; (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter; (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (a) to (g) above; or (i) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the forgoing acts.

**"Tracker Fund Delisting"** means, in relation to a Tracker Fund, that the listing of the relevant Shares on the Exchange will cease or has ceased, and such Shares will not be listed on any other exchange which the Calculation Agent deems appropriate to replace the Exchange.

**"Tracker Fund Merger Date"** means, in respect of a Tracker Fund Merger Event, the date which is the earlier of:

- (a) a date selected by the Calculation Agent (in its sole and absolute discretion) which falls on or after the date on which such Tracker Fund Merger Event occurred, as determined by the Calculation Agent; and
- (b) the date upon which all holders of the relevant Shares have agreed or become obliged to transfer their Shares, as determined by the Calculation Agent.

**"Tracker Fund Merger Event"** means, in respect of a Tracker Fund, any (a) reclassification or change of such Tracker Fund that results in a transfer of or an irrevocable commitment to transfer all of the Shares of such Tracker Fund outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of the Tracker Fund with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Tracker Fund is the continuing entity and which does not result in a reclassification or change of all 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 Tracker Fund 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 Tracker Fund or its subsidiaries with or into another entity in which the Tracker Fund 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, in each case if the Tracker Fund Merger Date is on or before the Final Valuation Date.

**"Tracker Fund Trust Termination"** means, in relation to a Tracker Fund, that the trust constituting such Tracker Fund or the corporation or other vehicle under which shares are issued by the Tracker Fund (in each case in relation to such Tracker Fund, the **"Trust"**) has been terminated or otherwise ceased to exist in accordance with any constitutional document of the Trust (in relation to such Tracker Fund, the **"Constitutional Document"**). For the avoidance of doubt, and without limiting the generality of the preceding sentence, the following events will constitute a Tracker Fund Trust Termination:

- (a) cancellation of the Constitutional Document by the Management Company or Trustee (as defined below), or cessation of calculation and publication of the Fund Underlying Index by the Fund Underlying Index Sponsor;
- (b) an order being made by any competent regulatory authority for cancellation or termination of the Constitutional Document or the Trust; and/or
- (c) an order being made by any competent regulatory authority for (I) cancellation or suspension of the relevant licence of the Management Company required to manage the Tracker Fund, or (II) the winding up of the Management Company. For the avoidance of doubt, so long as the Tracker Fund continues to exist, a replacement of the Management Company by a substitute investment trust management company or a replacement of any trustee on behalf of the holders of the Shares (the **"Trustee"**) of the Tracker Fund by a substitute trustee shall not amount to a Tracker Fund Trust Termination, and any such substitute investment trust management company or substitute trustee shall be deemed to be the Management Company or the Trustee respectively with effect from the date that such substitution became effective.

## 6. Changes to the Fund Underlying Index of a Tracker Fund

If the Fund Underlying Index of a Tracker Fund is:

- (i) not calculated and announced by the Fund Underlying Index Sponsor but is calculated and announced by a successor to the Fund Underlying Index Sponsor (the "**Successor Fund Underlying Index Sponsor**") acceptable to the Calculation Agent;
- (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 the Fund Underlying Index; or
- (iii) not in existence on any Scheduled Trading Day, but the Calculation Agent considers there to be in existence at such time another fund with substantially the same terms as the relevant Tracker Fund or an alternative exchange traded fund linked to an alternative index which, if substituted for the relevant Tracker Fund, would materially preserve the economic characteristics of the Securities immediately prior to such substitution,

then the Calculation Agent may at its sole and absolute discretion deem that (a) the Fund Underlying Index will be deemed to be the index so calculated and published by the Successor Fund Underlying Index Sponsor or that successor index, and/or (b) such Tracker Fund will be (I) linked to the index so calculated and published by the Successor Fund Underlying Index Sponsor or (II) that successor exchange traded fund.

#### 7. **Incorporation of terms of the Schedule**

The provisions of, and the terms and expressions defined in, the schedule to this Annex A (the "**Schedule**") shall apply to the Original Tracker Fund for the purposes of the Securities (and to any Replacement Tracker Fund, provided that, in respect of each Replacement Tracker Fund, pursuant to paragraph 5(ii) (*Substitution of a Tracker Fund*) above, the Calculation Agent may, in its sole and absolute discretion, make such adjustment(s) to any term of the Schedule that it determines to be appropriate), and the Conditions are amended, supplemented or varied (as applicable) in respect of such Tracker Fund to the extent set forth in the Schedule.

#### 8. **Correction of Prices**

In the event that the Share Price of a Tracker Fund which is utilised by the Calculation Agent to determine any value relevant to any amount payable in respect of the Securities, is subsequently corrected (a "**Correction of Prices**") and the correction is published by the relevant Exchange on or before the applicable Fallback Valuation Date, the Calculation Agent (i) may, in its sole and absolute discretion, if practicable, adjust or correct any value or amount in respect of the Securities to take account of the relevant Correction of Prices, if such Correction of Prices is deemed to be material by the Calculation Agent; and (ii), if any adjustment is made, will notify the Issuer and the Principal Programme Agent, who shall promptly notify the Holders of:

- (a) the relevant Correction of Prices, and
- (b) the subsequent correction or adjustment, if any, to any value or amount in respect of the Securities.

### Schedule

In respect of the Tracker Fund, the following terms and expressions shall have the respective meanings set out against such term or expression, as the case may be, but subject at all times to any adjustments to the provisions of the Notes made by the Calculation Agent pursuant to paragraph 5(ii) (*Substitution of a Tracker Fund*) of Annex A in respect of a Replacement Tracker Fund. Terms and expressions used in this Schedule and not defined herein shall have the meaning as defined in the Contractual Terms to which this Schedule is attached, or, if not so defined in such Contractual Terms, as defined in the Conditions.

1.           Component                   In respect of the Fund Underlying Index and any relevant day, a security, or a commodities or futures contract or other asset then comprising a constituent of the Fund Underlying Index, as applicable, and "**Components**" means some or all of such constituents, as applicable.
  
2.           Disrupted Day                   In respect of the Tracker Fund, any Scheduled Trading Day on which the Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.
  
3.           Early Closure                       In respect of the Tracker Fund, the closure on any Exchange Business Day of the Exchange relating to the Shares or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange(s) 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(s) 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.

In respect of the Fund Underlying Index, the closure on any Exchange Business Day of the Exchange in respect of any Component, or the Related Exchange, prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) 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 (as the case may be) on such Exchange Business Day, and (ii) the submission deadline for orders to be entered onto such Exchange or Related Exchange system for execution as at the relevant Valuation Time on such Exchange Business Day.

4.           Exchange                             In respect of the Tracker Fund, the NYSE Arca, Inc. (or, in respect of any Replacement Tracker Fund, such other Exchange as may be selected by the Calculation Agent), any successor to such market, exchange or quotation system or any substitute market, exchange or quotation system to which trading in the Shares has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Shares on such temporary substitute market, exchange or quotation system as on the original Exchange).

In respect of the Fund Underlying Index, each exchange on which any Component of the Fund Underlying Index is, in the determination of the Calculation Agent, principally traded, or as otherwise determined by the Calculation Agent in its sole discretion, 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 to Components underlying the Fund Underlying Index on such temporary substitute exchange or quotation system as on the original Exchange).

5. Exchange Business Day In respect of the Tracker Fund, any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or any such Related Exchange closing prior to its Scheduled Closing Time.
- In respect of the Fund Underlying Index, any Scheduled Trading Day on which (i) the Index Sponsor calculates and publishes the level of the Index, and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding the Related Exchange closing prior to its Scheduled Closing Time.
6. Exchange Disruption In respect of the Tracker Fund, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for the Shares on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Share on any relevant Related Exchange.
- In respect of the Fund Underlying 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.
7. Fund Underlying Index In respect of the iShares<sup>®</sup> MSCI Emerging Markets Index Fund (*Bloomberg Code: EEM UP <Equity>*), the MSCI Emerging Markets Index (*Bloomberg Code: MXEF <Index>*) (or, in respect of any Replacement Tracker Fund, such other index as may be selected by the Calculation Agent).
8. Fund Underlying Index Sponsor Morgan Stanley Capital International (or, in respect of any Replacement Tracker Fund, such other index sponsor as may be selected by the Calculation Agent), or such other corporation or other entity that, in the determination of the Calculation Agent (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Fund Underlying Index, and (ii) announces (directly or through an agent) the level of the Fund Underlying Index on a regular basis during each Scheduled Trading Day.
9. Management Company Such entities as the Calculation Agent may determine is for the time being the manager of the Tracker Fund. As at the date hereof, the Management Company of the iShares<sup>®</sup> MSCI Emerging Markets Index Fund (*Bloomberg Code Bloomberg Code: EEM UP <Equity>*) is BlackRock Fund Advisors.
10. Market Disruption Event In respect of the Tracker Fund, the occurrence or existence of (i)(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 relevant Valuation Time, or (c) an Early Closure, or (ii) a Market Disruption Event in respect of the Fund Underlying Index.
- In respect of the Fund Underlying Index, either:
- (i) (a) the occurrence or existence, in respect of any Component Security, of:
    - (I) 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;

- (II) 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
- (III) an Early Closure in respect of such Component; and
- (b) 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 the Fund Underlying Index; or
- (ii) the occurrence or existence, in each case in respect of futures or options contracts relating to the Fund Underlying 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 exists in respect of the Fund Underlying Index at any time, if a Market Disruption Event (as defined in Share Linked Provision 9 (*Definitions*)) (a "**Component Market Disruption Event**") occurs in respect of a Component at that time, then the relevant percentage contribution of that Component to the level of the Fund Underlying Index shall be based on a comparison of (x) the portion of the level of the Fund Underlying Index attributable to that Component and (y) the overall level of the Fund Underlying Index, in each case using the official opening weightings as published by the relevant Fund Underlying Index Sponsor as part of the market "opening data" immediately before the occurrence of such Component Market Disruption Event in respect of such Component.

- |     |                        |   |
|-----|------------------------|---|
| 11. | Related Exchange:      | The principal exchange on which options and futures contracts on the Tracker Fund or the Fund Underlying Index are traded, as the case may be, if any, as determined by the Calculation Agent, 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 Tracker Fund or the Fund Underlying Index, as the case may be, 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 Tracker Fund or the Fund Underlying Index, as the case may be, on such temporary substitute exchange or quotation system as on the original Related Exchange). |
| 12. | Scheduled Closing Time | In respect of the Exchange or any 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.   |
| 13. | Scheduled Trading Day  | In respect of the Tracker Fund, any day on which the Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.   |

In respect of the Fund Underlying Index, any day on which (i) the Fund Underlying Index Sponsor is scheduled to publish the level of the Fund

Underlying Index, and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session.

14. Share Price In respect of any relevant time on any relevant date and a Share of the Tracker Fund, the price per Share on the relevant Exchange at such time on such date, as determined by the Calculation Agent.
15. Shares (and each a "Share", and a "Shareholder" means a holder of a Share). The shares of the Tracker Fund.
16. Trading Disruption In respect of the Tracker Fund, any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in:
- (i) the Shares on the Exchange;
  - (ii) any option contract or futures contracts relating to the Shares on any Related Exchange; or
  - (iii) any shares, certificates, units or other securities of any exchange traded funds relating to the Fund Underlying Index on the Exchange or any Related Exchange,

if, in any such case, in the sole and absolute determination of the Calculation Agent, such suspension or limitation is material.

In respect of the Fund Underlying Index, any suspension 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 (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.

17. Valuation Time In respect of the Tracker Fund, the Scheduled Closing Time on the Exchange in respect of the Share (provided that, if the relevant Exchange closes prior to its Scheduled Closing Time, then the Valuation Time shall be such actual closing time).
- In respect of the Fund Underlying Index, for the purposes of determining whether a Component Market Disruption Event 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 future contracts on the Fund Underlying Index, the close of trading on the Related Exchange.

**ANNEX B****TRACKER FUND DISCLAIMER****iShares<sup>®</sup> MSCI Emerging Markets Index Fund**

The Securities are not sponsored, endorsed, sold or promoted by Morgan Stanley Capital International ("**MSCI**"). Neither MSCI nor any other party makes any representation or warranty, express or implied to the owners of the Securities or any member of the public regarding the advisability of investing in securities generally or in the Securities particularly, or the ability of the iShares<sup>®</sup> MSCI Emerging Markets Index to track general stock market performance. MSCI is the licensor of certain trademarks, service marks and trade names of MSCI and of the iShares<sup>®</sup> MSCI Emerging Markets Index which index is determined, composed and calculated by MSCI without regard to the issuer of these Securities. MSCI has no obligation to take the needs of the issuer of these Securities or the owners of these Securities into consideration in determining, composing or calculating the iShares<sup>®</sup> MSCI Emerging Markets Index. MSCI is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Securities to be issued or in the determination or calculation of the equation by which the Securities are to be converted into cash. Neither MSCI nor any other party has an obligation or liability to owners of these Securities in connection with the administration, marketing or trading of the Securities.

ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES THAT MSCI CONSIDERS RELIABLE, NEITHER MSCI NOR ANY OTHER PARTY GUARANTEES THE ACCURACY AND/OR COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, LICENSEE'S CUSTOMERS AND COUNTERPARTIES, OWNERS OF OR THE PRODUCTS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEXES OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. NEITHER MORGAN STANLEY NOR ANY OTHER PARTY MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND MSCI HERBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDEXES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL MSCI OR ANY OTHER PARTY HAVE LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

The iShares<sup>®</sup> MSCI Emerging Markets Index Fund (the "**Fund**") is distributed by SEI Investments Distribution Co. ("**SEI**"). BlackRock Fund Advisors ("**BRFA**") serves as the investment advisor to the Fund. The Securities are not in any way sponsored, endorsed, sold or promoted by SEI or BRFA and neither of them makes any warranty or representation whatsoever, expressly or impliedly as to the results to be obtained from the use of the Fund in the Securities.

**GENERAL INFORMATION**

1. To the best of the Issuer's and the Guarantor's knowledge, there has been no material adverse change in the prospects of the Issuer or the Guarantor since the date of the last published audited financial statements of the Issuer and the Guarantor, respectively, except as disclosed in the following documents incorporated by reference herein: the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended December 31, 2009, incorporated by reference in the 2010 Base Prospectus, at Part II, Item 7, "Management's discussion and analysis of financial condition and results of operations—Executive Overview—2010 Business outlook" (pages 43-46) and at Part I, Item 1A, "Risk Factors" (pages 4-10); the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended March 31, 2010, incorporated by reference in the 2010 Base Prospectus, at Part I, Item 2, "Management's discussion and analysis of financial condition and results of operations —Executive Overview—Business outlook" (pages 9-10); the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended June 30, 2010, incorporated by reference in the 24 August 2010 Supplement, at Part I, Item 2, "Management's discussion and analysis of financial condition and results of operations —Executive Overview—Business outlook" (pages 9-10) and at Part II, Item 1A, "Risk Factors" (pages 196-197); and the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended September, 2010, incorporated by reference in the 30 November 2010 Supplement, at Part I, Item 2, "Management's discussion and analysis of financial condition and results of operations —Executive Overview—Business overview" (pages 9-10) and at Part II, Item 1A, "Risk Factors" (pages 200-201).
2. To the best of the Issuer's and the Guarantor's knowledge, there has been no significant change in the financial or trading position of the Issuer since 30 June 2010, and there has been no significant change in the financial or trading position of the Guarantor since 30 September 2010, the most recent dates as of which the Issuer and the Guarantor have published unaudited interim consolidated financial information.
3. Except as disclosed in the following document incorporated by reference herein: the Annual Report on Form 10-K of JPMorgan Chase & Co. for the year ended December 31, 2009, incorporated by reference in the 2010 Base Prospectus, at Part I, Item 3, "Legal Proceedings" (pages 11-16); the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended March 31, 2010, incorporated by reference in the 2010 Base Prospectus, at Part II, Item 1, "Legal Proceedings" (pages 163-170) incorporated by reference herein; the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended June 30, 2010, incorporated by reference in the 24 August 2010 Supplement, at Part II, Item 1, "Legal Proceedings" (pages 188-196), the Quarterly Report on Form 10-Q of JPMorgan Chase & Co. for the quarter ended September 30, 2010, incorporated by reference in the 30 November 2010 Supplement, at Part II, Item 1, "Legal Proceedings" (pages 192-200) there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) during the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer, the Guarantor and their respective subsidiaries.
4. The unaudited interim financial statements for the six month period ended 30 June 2010 of the Issuer have not been reviewed.
5. 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:
  - (i) the Articles of Association of the Issuer;
  - (ii) the Articles of Association of JPMorgan Chase Bank, N.A.;
  - (iii) the Restated Certificate of Incorporation of JPMorgan Chase & Co.;
  - (iv) a copy of the 2010 Base Prospectus, including any documents incorporated therein;
  - (v) copies of the 4 June 2010 Supplement, 4 August 2010 Supplement, 24 August 2010 Supplement, 8 September 2010 Supplement, 12 October 2010 Supplement, 26 October 2010 Supplement and the 30 November 2010 Supplement, in each case including any documents incorporated therein;

- (vi) the JPMorgan Chase Bank, N.A. Guarantee; and
  - (vii) any supplement or amendment to any of the foregoing.
6. 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 2009 Audited Financial Statements. Copies of the auditor's reports appear at page 27 of the JPMSP 2009 Audited Financial Statements and at page 24 of the JPMSP 2008 Audited Financial Statements, and are incorporated by reference into this Base Prospectus. PricewaterhouseCoopers Accountants N.V. has no material interest in JPMSP.

The address of PricewaterhouseCoopers Accountants N.V. is: Thomas R. Malthusstraat 5, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands.

7. The consolidated financial statements of JPMorgan Chase Bank, N.A. for the three years ended 31 December 2009 (the "JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements") are incorporated by reference in the 2010 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 PricewaterhouseCoopers LLP's audit report is set forth on page 1 of the JPMorgan Chase Bank, N.A. 2009 Audited Financial Statements.

The unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 June 2010 (the "JPMorgan Chase Bank, N.A. 2010 Second Quarter Financial Statements") are incorporated by reference in the 8 September 2010 Supplement. PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of the JPMorgan Chase Bank, N.A. 2010 Second Quarter Financial Statements. However, their separate report dated 23 August 2010 with respect to the JPMorgan Chase Bank, N.A. 2010 Second Quarter Financial Statements, which is incorporated by reference in this Prospectus, states that they did not audit and they do not express an opinion on the unaudited JPMorgan Chase Bank, N.A. 2010 Second Quarter Financial Statements. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

The unaudited consolidated financial statements of JPMorgan Chase Bank, N.A. for the quarter ended 30 September 2010 (the "**JPMorgan Chase Bank, N.A. 2010 Third Quarter Financial Statements**") are incorporated by reference in the 30 November 2010 Supplement. PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of the JPMorgan Chase Bank, N.A. 2010 Third Quarter Financial Statements. However, their separate report dated 22 November 2010 with respect to the JPMorgan Chase Bank, N.A. 2010 Third Quarter Financial Statements, which is incorporated by reference in this Prospectus, states that they did not audit and they do not express an opinion on the unaudited JPMorgan Chase Bank, N.A. 2010 Third Quarter Financial Statements. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

8. The Securities shall be governed by English law. The JPMorgan Chase Bank, N.A. Guarantee is governed by the laws of the State of New York.

**Registered Office of JPMSB**

**J.P. Morgan Structured Products B.V.**

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**Dealer**

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**Principal Programme Agent, Paying Agent and Transfer Agent**

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**Paying Agent and Transfer Agent**

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**Calculation Agent and Delivery Agent**

**J.P. Morgan Securities Ltd.**

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**Luxembourg Listing Agent**

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Vertigo Building – Polaris  
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Luxembourg  
**Auditors**

**To JPMS**

**PriceWaterhouseCoopers Accountants**

**N.V.**  
Thomas R. Malthusstraat 5  
PO Box 90357  
1006 BJ Amsterdam  
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**To JPMorgan Chase Bank, N.A. and  
JPMorgan Chase & Co.**

**PriceWaterhouseCoopers LLP**

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**Legal Advisers to the Dealer under the Programme**

*in respect of English law*

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